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AUTHOR	Butterfield, Sherri M.
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ABSTRACT

This unit provides methods, materials, and activities for teaching about money in grades 4-6. It is divided into three sections: money and barter; disciplines and responsibilities; and organization and recordkeeping. Each section includes notes to aid the teacher in preparing and presenting the material, pre/post tests, and a series of one-page reproducible sheets which contain information or activities for students. Topics covered in the sheets include: (1) history of barter and money; (2) facts, vocabulary, and quotes about money; (3) purpose of money as exchange for goods and services; (4) work as a means of getting money; (5) need for discipline and responsibility in making and managing money; (6) ways of hiding and holding on to money; (7) history and purpose of checking accounts; (8) how to open a checking account and write checks; and (9) tips and practice in checkbook recordkeeping. Activities are designed to teach mathematics and life skills associated with managing money. The unit can be taught separately or as a part of regular classroom units in other subjects. (DC)

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First Steps to
Personal Money Management

STEP 1.
What?
Money and Barter

STEP 2.
Why?
Disciplines and Responsibilities

STEP 3.
How?
Organization and Record-keeping

ED237441

BANK-ED I
Personal Money Management Series

★ **BANK-ED I —**
Intermediate Level
Money, its Responsibilities
and Record-keeping

BANK-ED II —
Junior High Level
Savings, Setting Goals
and Creating Income
with a Part-time Job

BANK-ED III —
Senior High Level
Credit, Simulated Real
Life Financial Situations

BANK-ED I
Created by E.T.S. & Associates
Developed by Sherri M. Butterfield
Designed by Louis Neiheisel III
Illustrations by Karl Nicholason

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BANK-ED I

First Steps to Money Management

A series of ready-to-do,
ready-to-use lessons
that apply basic skills to real
life situations
for use at the intermediate level

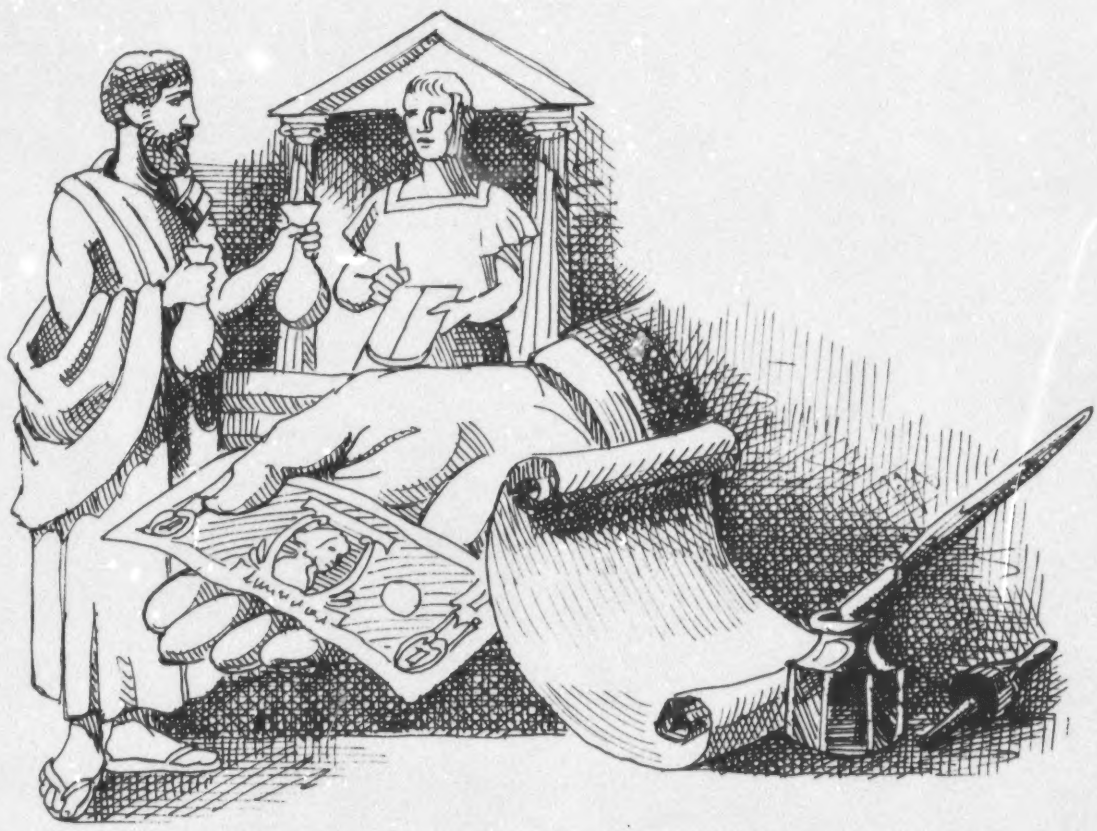
created by

Sherri Butterfield, writer and developer of educational materials
Louie Neiheisel, designer
Karl Nicholason, illustrator
for
E. T. S. & Associates

Step 1.
What?
Money and Barter

Step 2.
Why?
Disciplines and
Responsibilities

Step 3.
How?
Organization and
Record-Keeping



About These Materials

These materials are the first in a series of similar packets developed by E.T.S. & Associates in consultation with both educators and representatives of commercial firms. The philosophy behind their development is a simple one. It is that, in a time of double-digit inflation and tax and budget cuts, commercial firms within a community can and should become partners with home and school in the education of children.

The concept is not a new one in that members of the business community have long sponsored educational programs on both public and commercial television. What is new is the idea that business can use public relations dollars to make available to local schools at little or no cost quality materials designed to increase knowledge or develop skills in specific areas of mutual interest.

For example, the BANK-ED Program has been developed with a local sponsor bank, a firm whose area of expertise and interest is money management. This particular packet is BANK-ED I, **First Steps to Money Management**. Designed especially for boys and girls in **grades 4 through 6**, it

- briefly describes the history of **barter** as a way of explaining the need for money as a **store of value** and as a **medium of exchange**;
- includes startling facts about money, lists of words related to money, and quotable quotes about money;
- states that money's real value lies in its being able to be exchanged for **goods** and **services**;
- explains that getting money involves **work** and that spending it involves **choices**;
- emphasizes both the need for **discipline** in making money and the need for **responsibility** in managing it;
- uses vignettes to explore ways of **"hiding"** and **"holding on to"** money;
- examines the history of and the reasons for **checking accounts**;
- explains how to open a **checking account** and how to write **checks**;
- offers some tips and some practice in the methods and the math of **record-keeping**; and
- includes a classroom visit by an employee of the sponsor bank.

Activities within this unit are designed to teach the math and life skills associated with **managing money**, from **making choices** to **making change**. The unit itself can be taught separately or as a part of regular classroom units on math, handwriting, vocabulary development and language arts, social studies or economics, values, decision making and goal setting, careers, and consumer education.

BANK-ED II, designed for the junior high level, explains to kids that money is paid for ideas, goods, services, and as "rent" on property and on saved or invested money. It gives them tips on ways to earn money now—and later. Activities are designed to teach the math and life skills associated with

- going into business to sell goods or offer a service, including advertising and selling yourself;
- staying in business, with emphasis on integrity of service supplied and/or quality of product;
- applying for a job;
- being interviewed;
- figuring simple and compound interest; and
- learning to save and invest wisely.

Activities within the unit are designed to teach the math and life skills associated with **earning money**. The unit itself can be taught separately or as a part of regular classroom units on math, social studies or economics, values, decision making and goal setting, careers, and consumer education.

BANK-ED III, designed for high school students who may be considering **borrowing** money for car or college, explains what **credit** is, what it costs, and when and how it should be used. It talks about how to apply for credit, what the applicant's responsibilities are, and the importance of establishing and maintaining a **good credit record**. Activities are designed to teach the math and life skills associated with

- applying for credit;
- obtaining a loan;
- making regular monthly payments;
- staying within limits; and
- establishing and maintaining a good credit record.

Activities within the unit are designed to teach the math and life skills associated with borrowing money. The unit itself can be taught separately or as a part of regular classroom units on math, social studies or economics, values, decision making and goal setting, careers, and consumer education.

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Step 1.
What?
Money and Barter

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Notes to the Teacher

Purpose

To help kids understand what money is, why we need it, how it works, and how to make it work for them.

Objectives

After completing this lesson, the student should be able to

- distinguish between **needs** and **wants**;
- define and use the following terms correctly: **barter, goods, medium of exchange, mint, services, specialize, standard of value,** and **store of value;**
- name two disadvantages of barter;
- name two advantages of money;
- make change;

and should have added at least five money-related words to his or her vocabulary.

Materials

Test to be given before and after the lesson to help you decide what parts of the lesson to teach and to assess the learning that has taken place. Make a thermofax master or use a photocopy machine to reproduce two copies for each member of your class.

Answer Key –
Matching

1. d	4. i	7. e	10. h
2. f	5. g	8. j	
3. a	6. c	9. b	

Listing

1. Answers may vary but should help you direct class discussion.
2. Answers may vary but should help you direct class discussion.

Making Change

1. Total amount owed = $7.57
   Amount of change due = $2.43
   The most usual combination of bills and coins would be two bills, one quarter, one dime, one nickel, and three pennies.
2. Total amount owed = $9.59
   Amount of change due = $.41
   The most usual combination of bills and coins would be no bills, no half dollars, one quarter, one dime, one nickel, and one penny.

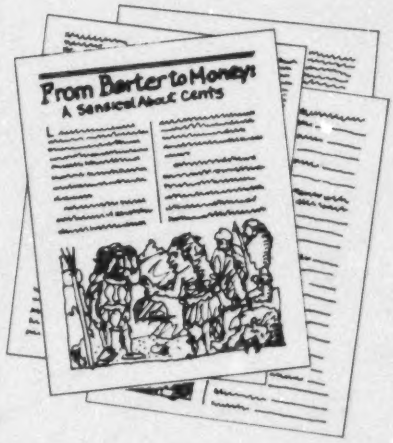
For question 1 and 2, you might wish to discuss some of the other alternatives with your class, or let them see how many different combinations they can come up with. For example, what if you were out of dollar bills? Of quarters?

Did You Know That. . . . A reproducible sheet or miniposter. Post the sheet on a bulletin board and/or make a thermofax master or use a photocopy machine to reproduce enough copies for each member of your class. Use the twelve facts to get kids interested in the subject and then search out some facts of your own. Don't be surprised if you or the members of your class discover some contradictions. Even reputable sources rarely agree on all of the firsts and facts about money.

Your Money's Worth of Money Words. A reproducible sheet or miniposter. Post the sheet on a bulletin board and/or make a thermofax master or use a photocopy machine to reproduce enough copies for each member of your class. The words are in alphabetical order. Use them to practice dictionary skills, to increase vocabulary, for practice in identifying parts of speech, as bonus spelling words, as selected vocabulary for creative writing, to help your class become better acquainted with a particular career or with career opportunities in general, for practice with synonyms and antonyms, and so on.

Quota Quote. A reproducible sheet or miniposter. Post the sheet on a bulletin board and/or make a thermofax master or use a photocopy machine to reproduce enough copies for each member of your class. Use the nine quotes to start discussion. Write one or more on the chalkboard. Then ask class members to

- explain the meaning;
- tell why they agree or disagree with the sentiment expressed;
- draw an illustration for the quote;
- write a one-act play that includes, illustrates, or concludes with the quote;
- look up additional quotes on the same or related subjects; or
- make up sayings or poems that express their own ideas about money.



From Barter to Money: A Sensical Saga About Cents. Whimsically illustrated reproducible pages on which the transition from **barter** to **money** is briefly described. Make thermofax masters of the pages or use a photocopy machine to reproduce enough copies for each member of your class. If you wish, assemble the pages into booklets and staple. Use the text to acquaint students with the concepts of **needs, wants, specialization, barter, goods medium of exchange, store of value,** and **standard of value.**

Shopping List. A multiuse activity sheet for practice in recording the cost of individual items purchased and calculating the total amount owed and the change due. Make a thermofax master or use a photocopy machine to reproduce enough copies so that each member of your class can have several. List some items to be purchased (for example, grocery, department store, or hardware items) and an amount of money on the chalkboard. Have

students "shop" by finding these items in newspaper ads, calculating the price, and filling in the blanks on the sheet. Have them determine (1) the total amount owed, (2) the correct amount of change due, and (3) at least one combination of bills and coins in which this amount of change could be given. If you have access to hand-held calculators, students will enjoy using them for this Shopping List activity, and they'll still have a chance to use their heads—unless the calculator makes change!

Variation: You can make the activity more challenging by increasing the number of items to be purchased and the amount to be spent and by suggesting students purchase multiple quantities of items priced by pound or piece.

Change the Way You Make the Change. A multiuse activity sheet for practice in calculating multiple ways to make change. Make a thermofax master or use a photocopy machine to reproduce

enough copies so that each member of your class can have several. Write **Amount Paid** and **Amount Owed** on the chalkboard. Let students suggest amounts to be listed under each.

Amount Paid	Amount Owed
$15.00	$13.95
$10.00	$ 7.63
$ 5.00	$ 3.27

Once several have been listed, let students choose two or three, determine the change due, list one combination of bills and coins in which this amount of change could be given, and then *change the way they make the change.*

Suggested Activities

- Discuss with your class the difference between **needs** and **wants**. Write the headings **Needs** and **Wants** on the chalkboard. Explain to your class that **needs** are food, clothing, shelter—things we must have to survive—and that **wants** are things we would like to have to make survival more comfortable or more enjoyable. Then ask members of the class to suggest words that might be listed under either heading. Appoint one class member to list needs and another to list wants. Once several items have been listed under each heading, begin to explain the idea that the distinction between the two becomes blurred at times. Ask if certain types of food or clothing might not be wants rather than needs, or if certain so-called luxury items might, under certain circumstances, become needs instead of wants. For example, under certain weather conditions, a coat of adequate weight and warmth is a need, but a particular color or brand of coat is a want.

- If possible, turn your classroom into a bartering culture where students must exchange goods for goods. First, meet as a class to list "needs" that must be met within the classroom culture. Second, divide the class into "family" or "tribal" units of three to five students. Third, ask these smaller units to meet to decide what goods they will supply to meet the needs of the culture. Might one tribe supply paper while another supplies pencils? Might one family design and make available weekly assignment sheets while another organizes and outlines notes for one subject or another?

- Through research, discover some of the goods that have been used by different tribes and cultures as media of exchange. Explore some of the advantages and disadvantages inherent in using each. Did they serve as a standard or measure of value? Were they durable? Easily carried? A good store of value?

- You may want to expand your culture to include not only goods but services. In class discussion, distinguish between the two. **Goods** are things that satisfy needs and wants. **Services** are useful kinds of work which change or improve conditions rather than producing things or goods. Explore these ideas with your class by listing the two categories on the chalkboard and asking them to suggest item entries. For example:

Goods	Services
Paper	Delivering
Pencils	Selling
Books	Health care
Shoes	Typing
	Teaching
	Cleaning

Might some family or tribal units supply a service or services in addition to or instead of goods? Do the chalkboards need cleaning? Do the wastebaskets need to be emptied? Are there papers to collect, grade, or distribute?

- After your class has experienced first-hand some of the difficulties associated with barter, you may want to establish a medium of exchange. What readily available and semidurable objects might be used in a classroom culture as a medium of exchange? For example, what about pencils, sheets of paper, paper clips, marbles, jacks, or jelly beans? Determine what relative values might be placed on each of these objects. For example, how many paper clips does it take to equal a piece of paper?

- By chance or by choice, divide students into the following five groups: basket weavers and potters; fishers and hunters; growers and gatherers; homebuilders; and tanners, weavers, and seamstresses. Suggest that each student do some individual research about the occupation of his or her group and then that members of each group meet together to discuss their group's role in meeting the needs of the culture as a whole. Ask each group to decide: (1) exactly what goods and services it will offer to the other groups, (2) what it will charge (in bartering terms) for these goods and services, and (3) what it would be willing to pay (again, in bartering terms) for each of the goods and/or services it must obtain from the other groups. For example, how many pots (and of what size) must be traded for a home of a particular kind and size? Tell the groups that, in setting the "prices," they should consider the relative time and effort required to produce the product and how long it will last (that is, how well it will retain, or "store," value). Ask each group to develop a newspaper ad or brochure listing its goods and services and suggested barter prices. What discrepancies exist between what one group wants to charge for its goods and services and what the other groups are willing to pay? Why?

- Sooner or later, some student will probably suggest that, instead of fooling around with pencils and paper clips, the class should design and make its own money. Before you start such a project, you may want to discuss aspects of good coin design.

What makes a coin useful? What destroys its utility? Suggest interested students look into the saga of the Susan B. Anthony dollar. Why was it minted? Who created the design? How much did minting it cost the government? Is it in widespread use? What other coin does it resemble in size and shape? What problems does this resemblance create?

• Set a day for class numismatists to show a piece or two from their collections and share their knowledge. If a parent of one of the students in your class collects coins or there is a coin dealer nearby, perhaps he or she would be willing to visit your class—or, perhaps, a coin shop or coin collection on display at a local museum might be the destination for a field trip. If transportation funds are scarce, consider making the trip an optional, weekend event for which private cars are used and parents do the driving. Depending on the pressures of place and time, you might leave the carloads to tour on their own or suggest they all meet together at some point to compare notes or enjoy a sack lunch.

• Discuss the process of making change. If you are making change, you are giving someone the difference between what is actually owed and what has been paid. While it is important to give the correct amount of change, there may be several different ways to combine coins and bills to equal that one correct amount. To illustrate this point, make a change table. Divide, rule, and label your chalkboard as shown:

	Number of					
Amount	Dollars	Half Dollars	Quarters	Dimes	Nickels	Pennies

Ask one child to name an amount of change someone might receive. (You may want to instruct that it be under $1.00, under $5.00, or under $10.00.) Enter that figure on the amount column. Now ask another child to describe one combination of coins and bills that would equal that amount. Ask members of the class to think of another. How many combinations can you think of? Most people prefer to receive as little loose change as possible. Which of the ways suggested would result in the least amount of loose change? If some of your students have trouble with this concept or need additional practice, bring some play money to class. Make a game of seeing who can be first to make correct change or who can come up with the greatest number of correct combinations for a particular amount of change due.

• If your class is studying a particular foreign country, find out what names are given to the coins and bills of that country and what they look like. Look up the rates of exchange that would apply if you wished to convert a certain amount of money from that country into U.S. currency and coins. Let members of the class challenge one another with monetary conversion problems.

• Create a time line based on the dates of firsts and important developments in the history of money. Cut a piece of butcher or shelf paper ten or more feet long. Attach it to one or more walls of your room, mural style. Or roll back a top and bottom flap one inch wide, staple, run string through the resulting casing, and hang like a banner. Suggest that each student add at least one date and explanation and/or drawing to the time table. For example, you may want to record the approximate dates wampum and salt were used as a medium of exchange, the approximate dates of the first coin and paper money, and the date the first coins were minted in the United States.

Additional Questions to Consider and Discuss

1. How might the things a culture makes, uses, and has available affect its decisions about a medium of exchange and money?
2. How might a culture's decisions about a medium of exchange and money affect or change the culture and its values?
3. Is money a perfect standard of value and store of value? Where does money get its value? Does the value of money ever change? Is money ever worth less or completely worthless?
4. Is there some other thing that might have a value more constant than that of money and so be a better standard of value or store of value?
5. What might be used for money in the future? Will we still have bills and coins or will we become entirely a credit card culture? What would be some of the advantages and disadvantages of money as we know it? Of credit cards?

Test for Step 1

Name _____ Date _____

Matching

Directions: Write the letter of the definition on the line in front of the word it defines.

_____	1. barter	a. things that satisfy needs or wants
_____	2. cost	b. things we must have to survive, including food, clothing, and shelter
_____	3. goods	c. useful kinds of work which change or improve conditions rather than producing things or goods
_____	4. medium of exchange	d. to trade by exchanging goods for goods; to swap without using money
_____	5. price	e. to exchange money or goods for other goods
_____	6. services	f. the amount of time, money, and/or goods that must be given up to get something wanted or needed
_____	7. trade	g. the amount of money that must be paid for goods or services
_____	8. value	h. things we would like to have to make survival more comfortable or more enjoyable
_____	9. needs	i. something commonly accepted in exchange for goods and services
_____	10. wants	j. worth, often measured in goods, services, or money

Listing

1. List three of your needs and three of your wants.

Needs	Wants
_____	_____
_____	_____
_____	_____

2. List three goods and three services.

Goods	Services
_____	_____
_____	_____
_____	_____

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Making Change

1. You go to the store with a ten-dollar bill. You make several purchases, including a booklet about the art of calligraphy for $2.95, a tablet of calligraphy paper for $2.25, three calligraphy pens for 79¢ each. What is the total amount of the sale?

Amount spent for booklet = _____

Amount spent for paper = _____

Amount spent for pens = _____ × 3 = _____

Total amount owed = _____

- What amount of change will you receive?

Amount paid = _____

Total amount owed = _____

Amount received in change = _____

- What bills and coins would equal that amount of change?

_____ one-dollar bills = _____

_____ quarters = _____

_____ dimes = _____

_____ nickels = _____

_____ pennies = _____

Total amount received in change = _____

2. You offer to go grocery shopping for your mother. She gives you $10.00. You are to buy

3 cans of frozen lemonade at 39¢ each = _____

2 loaves of bread at 89¢ per loaf = _____

1 package of sliced sandwich meat at 1.59 = _____

1 bag of potato chips at 89¢ = _____

1 head of lettuce at 48¢ = _____

1 jar of pickles at 79¢ = _____

1 jar of mustard at 64¢ = _____

A 15-pound watermelon at 15¢ per pound = _____

Total amount owed = _____

- What will your change be? _____
- How might your change be given to you?

_____ one-dollar bills = _____

_____ half dollars = _____

_____ quarters = _____

_____ dimes = _____

_____ nickels = _____

_____ pennies = _____

- Can you think of an alternate combination?

_____ quarters = _____

_____ dimes = _____

_____ nickels = _____

_____ pennies = _____

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Did You Know That . . .

Early peoples **bartered** or exchanged goods they gathered, grew, or made for goods they wanted.

State coinage is said to have originated in Lydia during the seventh century B.C.

Statēr, a Greek word from **histanai**, meaning to cause to stand, was the name given standard gold or silver coins of the Greek city-states.

There were banks in ancient Greece as long ago as the fifth century B.C.

China printed the first paper money in A.D. 1200. Printed on paper made from mulberry tree bark, these bills measured approximately 9" x 12" (23 cm. x 30.5 cm.).

For about three hundred years, Florence, Italy, was the main banking city for the world.

Our word bank comes from the Old Italian word **banca**, meaning **bench**. Bankers sat on benches behind tables to do their work.

The earliest English colonists set up banks in the New World.

The U.S. Department of the Treasury issues "paper" money that is 75 percent cotton and 25 percent linen.

The average one-dollar bill is folded 4,000 times before it wears out, in about eighteen months.

Every working day each Federal Reserve Bank burns about $5 million in worn-out bills.

In ancient Rome, one of the streets near the Forum became a bankers' row.

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Your Money's Worth of Money Words

bank note • bankrupt • barter • benefactor • beneficiary • bill • booty • bread • buck • cash • cheapskate • commodities • consumers • counterfeit • currency • depression • dough • economy • economical • economics • exchange • financial • fiscal • goods • greenback • hoard • income • inflation • loss • lucre • medium of exchange • millionaire • mint • miser • monetary • needs • numismatist • pauper • penny ante • penny pinch • pennyweight • penny-wise • philanthropist • poverty • price • producers • profit • prosperity • revenue • save • scarcity • services • spend • specialize • squander • store of value • swap • tender • trade • treasure • value • wampum • wants • wealth

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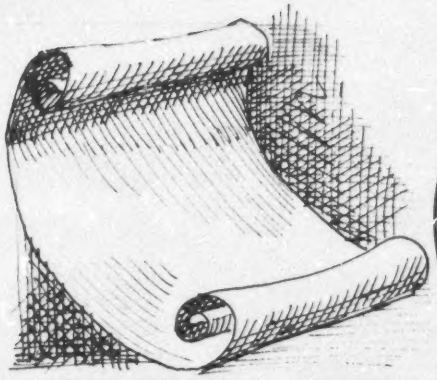

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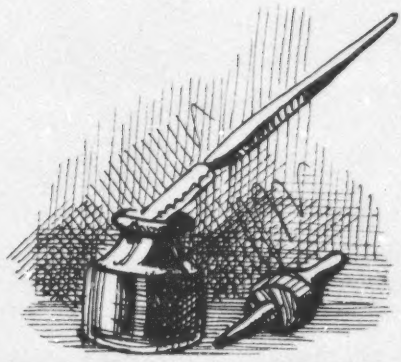

The first consideration for all, throughout life, is the earning of a living.

IHARA SAIKAHU

Remember that time is money.

BENJAMIN FRANKLIN

If making money is a slow process, losing it is quickly done.

IHARA SAIKAHU

A fool and his money are soon parted.

OLD PROVERB

You can't appreciate . . . money till it's spent.

O. HENRY

Never ask of money spent
Where the spender thinks it went.
Nobody was ever meant
To remember or invent
What he did with every cent.

ROBERT FROST

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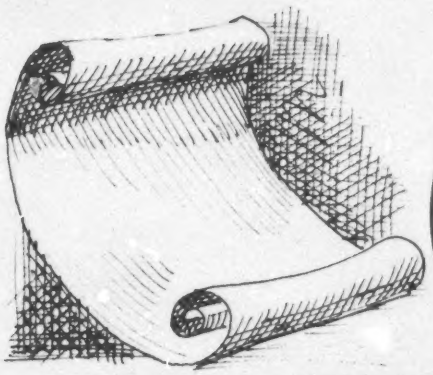

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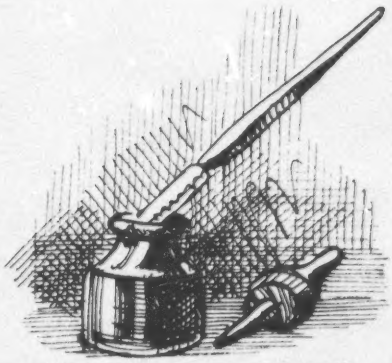


Lack of money is the root of all evil.

GEORGE BERNARD SHAW

There can be no freedom or beauty about a home
life that depends on borrowing and debt.

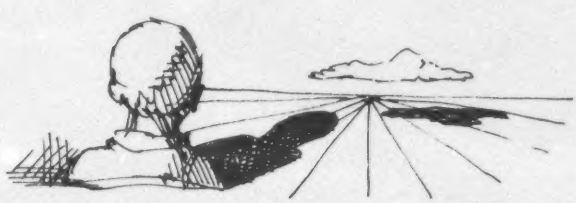
HENRIK IBSEN

Wishing won't do it; saving will.

FOLK SAYING

By no means run in debt: take thine own measure.
Who cannot live on twenty pound a year,
Cannot on forty.

GEORGE HERBERT



If you do not think about the future, you cannot have one.

JOHN GALSWORTHY

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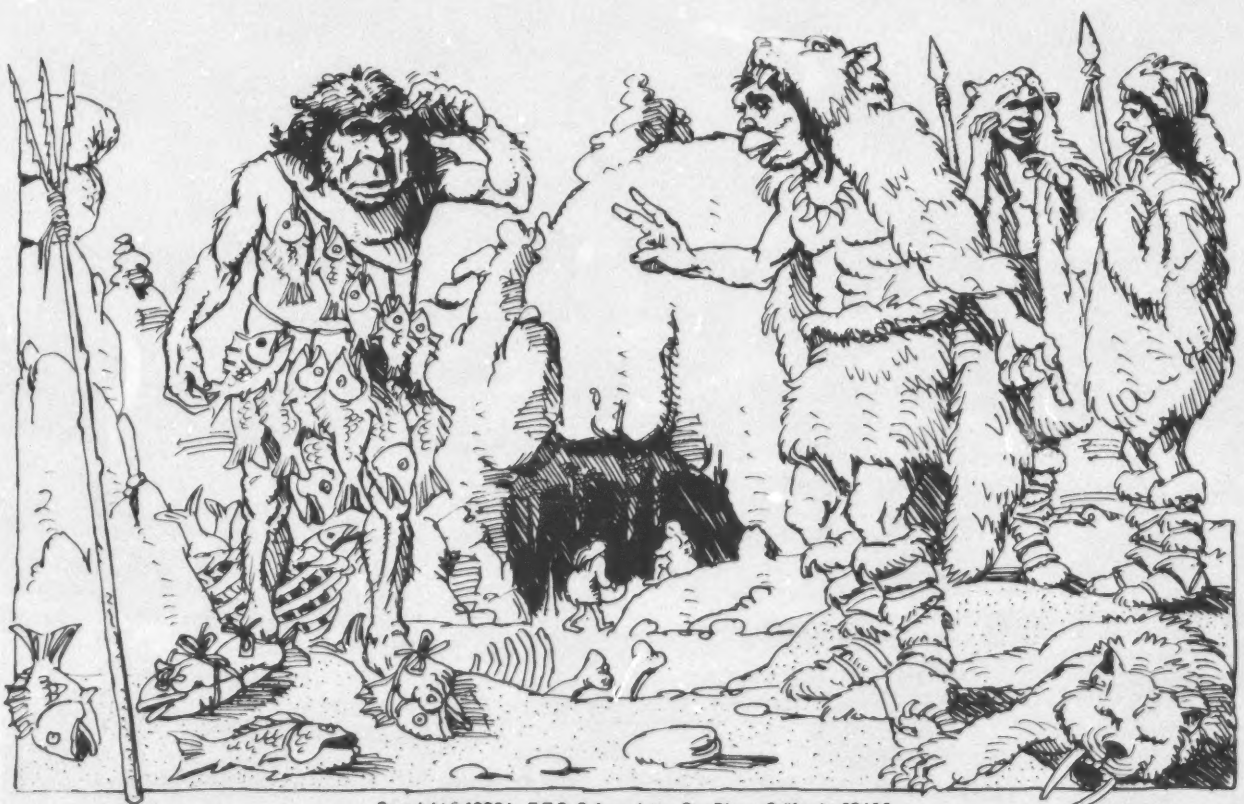
From Barter to Money:
A Sensical Saga About Cents

Long, long ago, families were **self-sufficient**. Their **needs** were simple: food, clothing, and shelter. They gathered fruits and nuts, raised crops, or killed animals for food. They made their own clothing, and they found or built their own shelters. The struggle to survive left them little leisure time, but they did devise simple games and make musical instruments. They had no need for money because there was nothing to buy and no place to buy it.

But gradually the situation changed. One family or tribe became successful at fishing while another was better at growing crops. One group excelled at hunting while another showed a talent for making animal skins into clothing. A man began to make tools. A woman baked bread.

People began to **specialize**, to do what each could do best or liked to do most; and when they did, they suddenly needed one another to satisfy their unmet needs. The men who fished needed spears or nets to fish with and clothing to wear. The gatherers needed jars and baskets. The growers needed simple tools with which to break and turn the earth. The hunters needed traps and weapons. And they all needed food, clothing, and shelter.



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So they began to **barter**, that is, to exchange what they produced for what they needed. **Goods** were traded for goods. The system was simple but not without problems. How could relative **value** be established? How many fish was a fur coat worth? What was a fair price? And what if the coat maker could not use all of those fish at once and had no way to store them until she could? Rotten or inedible fish are worth very little and smell bad besides.

One problem with barter, then, was that certain goods gradually became less and less valuable until they were—like the rotten fish—worse than worthless. A person paid in fish that had spoiled or in bread that had gone stale might feel they were a poor **store of value**, indeed, and wish she had been paid in something more durable.

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Another problem with barter was establishing a fair and uniform price. It was difficult to equate goods obtained in one way with goods produced in another. How many fish was a fur coat worth? In cold weather? In hot weather? When fish were plentiful? When fish were scarce?

What was needed, then, was a **medium of exchange**, something that a buyer could exchange for goods he wished to purchase and a seller would find acceptable as payment for her goods. Both buyers and sellers would need to be willing to accept and use the same something. It would need to be something that would not spoil or deteriorate so that its worth would remain relatively constant, and both buyer and seller would agree it was a good and fair store of value. It would also serve as a **standard of value**, that is, a means of measuring and comparing the values of different goods.

Isolated families and tribal groups tried a number of things. The North American Indians made beads of polished shells, strung them together to form belts, and called them **wampum**. Strands of as many as four thousand beads were woven into a belt four inches wide. These belts were used by the Indians for trading and for ceremonial purposes.

Other groups used commodities that were rare or highly prized. The Romans, for example, are said to have paid the soldiers in their famous legions with salt. And gold miners used nuggets.

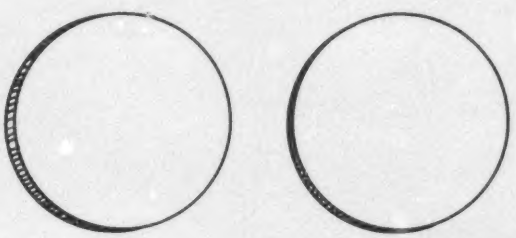
Many such unusual media of exchange temporarily resolved the store-of-value and standard-of-value problems. But beads were not valued equally by all tribes, belts were somewhat awkward to wear or carry, gold nuggets varied in size and had to be assayed, and salt could, in time, lose the very thing for which it was valued—its flavor. Something else was needed, something that was readily available, would not break or spoil,

could be easily carried, and would be universally recognized as being of worth and having a particular value.

Through a random process of trial and error, groups around the world gradually came to use metals because they were both precious and durable, and to stamp or mold them into flat shapes that could be easily counted and carried. And so coins were made.

Many of the earliest coins were of simple design and somewhat crudely made; but gradually metalworking became a highly developed art, and coin designs became much more intricate. Coins bore the portraits of gods and rulers and the slogans of tribes and nations. What else might have been put on coins?

Take a coin from your pocket or purse. Draw the coin in the circles below. Include the words and numbers as well as the picture.



Head Tail

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List the things that appear on your coin.

1. My coin is called a _____.
2. On the "head" side it has the following:
   a. A picture of _____,
      who was _____.
   b. A slogan stating _____.
   c. A separate word _____.
   d. The year _____.
   e. A small letter _____.
3. On the "tail" side it has the following:
   a. A picture of _____.
      (usually a building, landmark, or symbol)
   b. A slogan stating _____
      _____.
      Is the slogan in English? _____
      If not, what language is it in? _____
      What does it mean? _____
      _____.
   c. The face value of the coin, which is _____
      _____.

Minting is the act of making coins, and a **mint** is the place where coins are molded or stamped out of metal. How many mints are there in the United States? _____.

Where are they located? _____
_____.

Does each mint make a variety of coins, or do they "specialize"? _____
_____.

Do all coins have a smaller letter on the "head" side? _____.

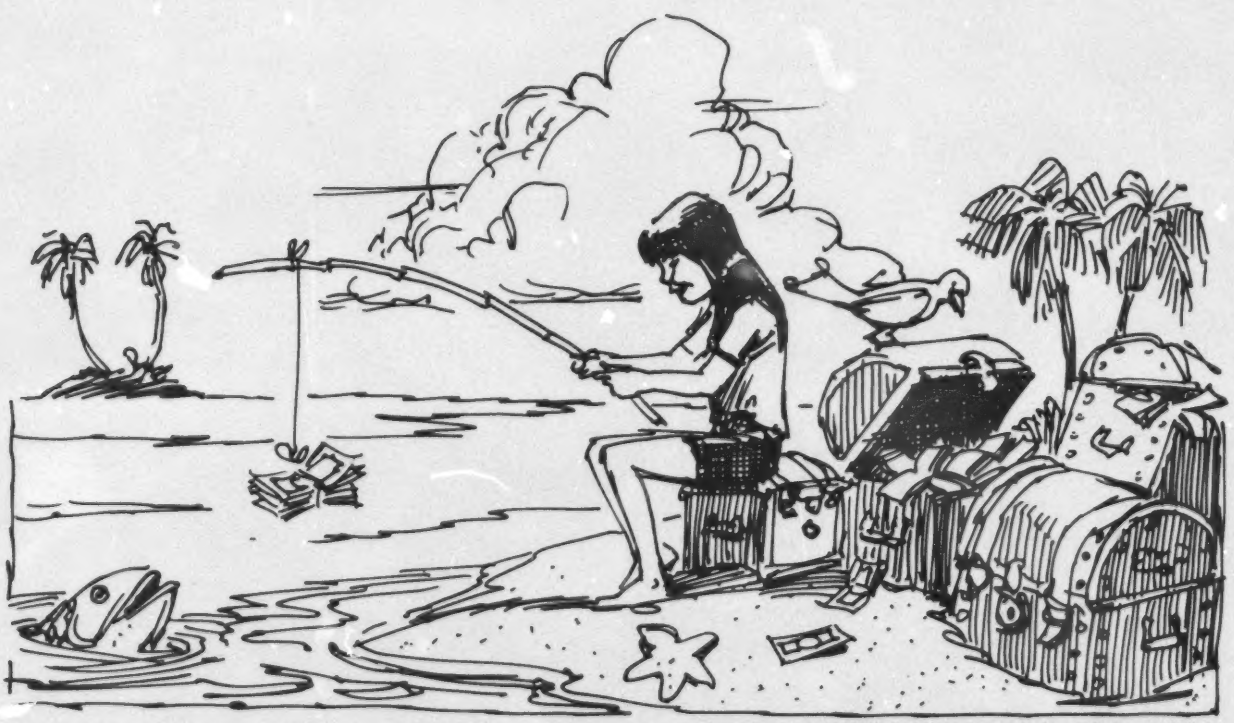
For what does it stand? _____.

What determines the **value** of a coin? Is it the words the mint stamps on it? To be certain, a coin's face value is indicated by the words written on it, and some of a coin's intrinsic value lies in the metal it contains. A numismatist might find value in a coin's condition or its rarity. And an anthropologist might value it for the history it records.

But to most people, the value of any money—coins or bills—lies in its being able to be exchanged to satisfy **needs** and **wants**, to buy **goods** and **services**. In other words, while money names the value of goods and services, the availability of goods and services for purchase determines, to an extent, the value or worth of money.

To illustrate this point, imagine that you have all the money you could possibly ever spend. Because you do not need to work, you decide to enjoy an extended voyage. You pack your entire fortune in a group of marvelous old trunks, book passage on a luxury liner, and, at last, set sail. After several beautiful days at sea, you site a series of small, uninhabited islands and are delighted when the captain decides to ake the ship in closer and anchor off shore for a better look.

During the night, an angry wind comes up and dashes the ship upon the rocks. You are relieved to realize that you and your trunks of treasure have been miraculously spared. But you are somewhat bewildered to discover you are alone on one of the small islands. What is your money worth now? Will it help you satisfy any of your needs and wants? What steps will you need to take to survive?



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Shopping List

Name _____

Date _____

Type of store _____

Amount of money taken to the store _____

Items Purchased	Price	
_____	_____	
_____	_____	
_____	_____	
_____	_____	
_____	_____	
_____	_____	
_____	_____	
_____	_____	
Total amount owed	_____	_____
Total change due		_____

What combination of bills and coins is equal to that amount?

_____	dollar bills =	_____
_____	half dollars =	_____
_____	quarters =	_____
_____	dimes =	_____
_____	nickels =	_____
_____	pennies =	_____
	Total =	_____

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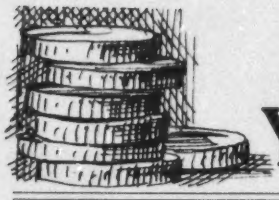
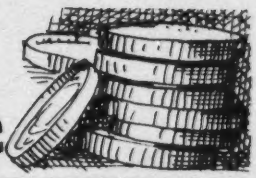


Change the Way You Make the Change

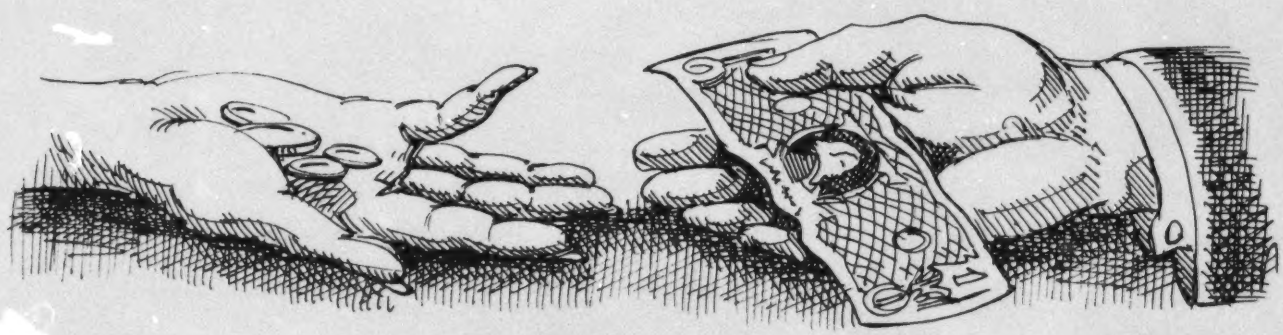


Name _____

Date _____

Directions: Subtract the amount owed from the amount paid to determine the change due.
Think of one combination of bills and coins in which that amount of change could be given. Describe this combination by indicating in the appropriate square the number of dollars, half dollars, quarters, dimes, nickels, and pennies that would be needed. Then, *change the way you make the change!* That is, think of and describe a different bill-and-coin combination that adds up to the same amount of change.

			Number of					
Amount Paid	Amount Owed	Change Due	Dollars	Half Dollars	Quarters	Dimes	Nickels	Pennies



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Step 2.
WHY?
Disciplines and Responsibilities

CONTENTS

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Quota Quote — 26
Your Money . . . Your Choice — 27 and 28
Counting It — 29
Making It Count — 30

Notes to the Teacher

Purpose

To help kids understand the responsibilities involved in managing time, money, and resources (or belongings), and to help them acquire the self-discipline necessary for functioning as an effective member of a family, classroom, or community unit.

Objectives

After completing this lesson, the student should

- have more appreciation of the value of time and money;
- be familiar with several methods for budgeting time and money and able to use at least one;
- be more aware of the value of belongings;
- have a better understanding of family, classroom, and community responsibilities; and
- be able to discuss the concepts of **deceit, discipline, honesty, honor, integrity,** and **responsibility,** and to apply them to real-life situations.

Materials

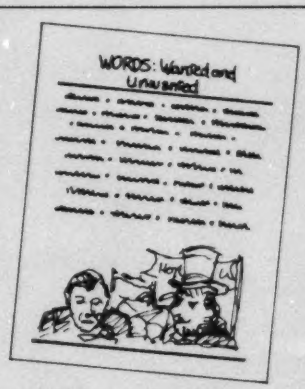
Test to be given before and after the lesson to help you decide what parts of the lesson to teach and to assess the learning that has taken place. Make a thermofax master or use a photocopy machine to reproduce two copies for each member of your class.

Note: Because this lesson deals in abstract concepts and values, the test is more a measure of awareness and understanding than of factual learning, and you will need to interpret the results somewhat subjectively.

Answer Key

Listing

1. fake
   counterfeit
   fraud
   sham
2. deceit/deception
   chicanery
   duplicity
   guile
   subterfuge
   trickery
3. honesty
   integrity
   probity
4. reliable
   conscientious
   dependable
   meticulous
   responsible
   scrupulous

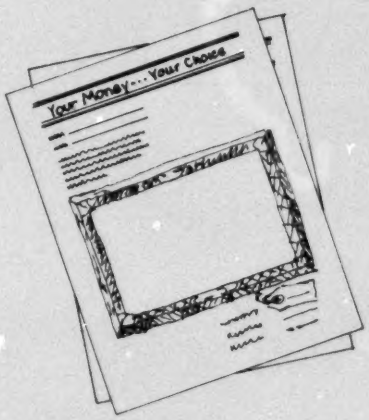


Words: Wanted and Unwanted. A reproducible sheet or miniposter. Post the sheet on a bulletin board and/or make a thermofax master or use a photocopy machine to reproduce enough copies for each member of your class. The words are in alphabetical order. Use them to practice dictionary skills, to increase vocabulary, for practice in identifying parts of speech, as bonus spelling words, as selected vocabulary for creative writing, for practice with synonyms and antonyms, and to stimulate discussion about values. You might wish to list a conceptually related group (for example, trickery, cunning, deceit) in order from least bad to worst, to convert adjectives into adverbs or adverbs into adjectives, or to match up (or think of) antonyms.

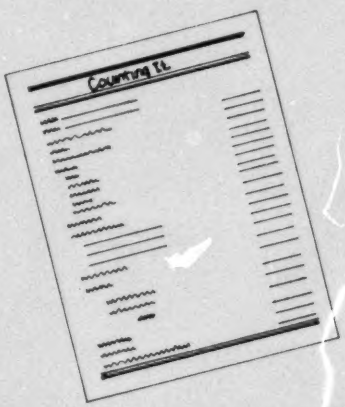
Quota Quote. A reproducible sheet or miniposter. Post the sheet on a bulletin board and/or make a thermofax master or use a photocopy machine to reproduce enough copies for each member of

your class. Use the quotes to start discussion. Write one or more on the chalkboard. Then ask class members to

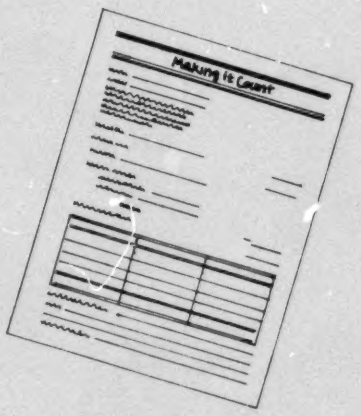
- explain the meaning;
- tell why they agree or disagree with the sentiment expressed;
- draw an illustration for the quote;
- write a one-act play that includes, illustrates, or concludes with the quote;
- look up something about the person who wrote or spoke the quote;
- look up additional quotes on the same or related subjects; or
- make up sayings or poems that express their own ideas about money.



Your Money . . . Your Choice. A reproducible activity sheet. Make a thermofax master or use a photocopy machine to reproduce enough copies for each member of your class. Then use the sheet to set a buying goal and talk about ways to reach it.



Counting It. A reproducible activity sheet. Make a thermofax master or use a photocopy machine to reproduce enough copies for each member of your class. Then use the sheet to discover and talk about household expenses and the struggle in which most parents are engaged to meet them.



Making It Count. A reproducible activity sheet. Make a thermofax master or use a photocopy machine to reproduce enough copies for each member of your class. Then use the sheet to talk about budgeting, planning ahead for savings and expenses.

Activities

- Getting money involves **work,** and spending it involves **choices.** Talk with the members of your class about some of the choices they make. Ask them if they are always able to buy everything they want and, if not, how they decide what to buy. Do they buy on the basis of how much money they have in their pockets at the present moment? Or do they set longer-range goals and save toward future purchases? Use the Your Money . . . Your Choice activity sheet to set a buying goal and talk about ways to reach it. How many double-dip ice cream cones would someone have to go without to buy a bike? How many Saturday matinees would he or she have to skip to afford a pair of roller skates?

- Talk about the fact that, no matter how much money someone has or appears to have, the **supply is limited** and could be drastically changed by unexpected events and expenditures. Ask members of your class to talk about the household repairs and replacements their families have had to make recently. Examples might include hot water heaters, roof and

automobile repairs, and the purchase or repair of major applicances. How much do these items cost? If students are unaware of prices, bring to class some newspaper advertisements or department store catalogs and list on the chalkboard what a stove, refrigerator, microwave oven, dishwasher, clothes washer and dryer, and television set might cost. Equate this to something the child buys — ice cream cones, packs of bubble gum, or movie admissions. Talk about how families cope with such emergencies. If they are wise, they save so that the unexpected doesn't catch them entirely unprepared. In other words, they put aside some money to reach future goals and some money to take care of present contingencies.

• With your class, talk about the **needs** each household has, that is, for food, clothing, and shelter. Using the Counting It activity sheet, list the approximate amount a family might spend during a week, month, or year for these budget items and for other items of which class members are aware. To keep the accounting fairly simple, avoid taxes and insurance, unless the students specifically suggest these items. Most children are surprised to discover, for example, that even though their parents "own" their own home, they still must make a monthly mortgage payment, or that there is a charge for telephone service even if no long distance calls are made.

• Talk about **budgeting,** that is, planning ahead for the expected and unexpected expenses. Decide what **time period** you are talking about, a day, a week, or a month. (Shorter periods will be easier for students to think about at first.) What is the **expected income** for this period? From what **source** will it come? How much will be **saved** and for what purposes? How much is available to buy things? What things will be bought and how much do you expect to pay for them?

For example, if the period is *one day,* the income may be *lunch money;* the source, *parents;* the amount for savings, *none;* the total amount available to buy things, the same as the income; and the items might be *milk, sandwich,* and *ice cream.* During discussion, help students see that, even with this limited amount of money, there may be a choice regarding the dessert item, or the possibility of saving lunch money by packing and bringing a lunch!

• Many students are unaware of the relationship between **time** and **money.** Using some of the statements from the Attitude Survey as a starting point, begin a class exploration into time and money to discover the relationship between the two. How do people who provide a service — plumbers, electricians, house painters, gardeners, and auto and appliance repair persons — figure their rates? What about lawyers and physicians? How does the time it takes to produce goods affect their price? If the class seems interested, survey a number of services to discover what people providing these services charge (or are paid) by the hour. Make a chart or graph showing what you discover. Talk about how many minutes or hours of one person's time are required to afford the services of another. What are the advantages of learning how (where possible) to "do it yourself"?

• Talk about **clothing** in terms of the time it takes to make it and the money needed to buy it. How many hours must a mother or father work to buy a woolen winter coat, for example? How long did the shepherd tend the sheep, the spinner spin, the weaver weave, the designer draw, the patternmakers plan, and the seamstress sew to make the coat? And how did it get into the store? It might be interesting to take some item that is produced in your area and calculate each increment of its cost from raw material to finished product. Don't forget to account for both time (or labor) and materials at each stage along the way.

• If a member of the class has recently lost a sweater, coat, or other item of clothing, it might be worthwhile to role play the situation surrounding the loss in an effort to determine how it might have been prevented. What will it cost (in terms of ice cream cones, movie matinees, or hours of hard work) to replace the lost item?

• As a member of a family unit, a classroom unit, a school unit, and a community unit, children and adults have responsibilities. To an extent, they are each responsible for themselves, and they are responsible to one another. Ask students what it means to be **responsible.** Have them name some of their parents' responsibilities at home and to the family unit. For example, whose responsibility is it to earn the income? Cook the meals? Do the dishes? Wash the clothes? Clean the house? Take care of the yard? Then, have them name some of their own responsibilities.

What happens when the person who's "responsible" doesn't do the job? Role play a situation where a parent loses his or her job and can't earn the income, the person responsible for preparing dinner decides he or she would rather watch a good movie on television than cook, or the trash piles up simply because no one wants to carry it out. Can we always do what we want to do, or are there times when we must do what needs to be done, when it needs to be done? In this vein, enjoy Shel Silverstein's poem, "Sarah Cynthia Sylvia Stout Would Not Take the Garbage Out," on pages 70 and 71 in his collection of poems and drawings entitled *Where the Sidewalk Ends* (Harper & Row. 1974).

Teacher's Notes

Test for Step 2

Name _____ Date _____

Listing
Directions: Below each numbered word, list the words from the Word List that mean the same or nearly the same.

1. **fake**	2. **deceit/deception**	3. **honesty**	4. **reliable**
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____		_____
	_____		_____
	_____		_____

Word List

chicanery	_____	fraud	_____ responsible
conscientious	_____	guile	_____ scrupulous
counterfeit	_____	integrity	_____ sham
dependable	_____	meticulous	_____ subterfuge
duplicity	_____	probity	_____ trickery

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Attitude Survey

Directions: Read the statements below. If you agree with the statement or feel it is correct, circle A. If you disagree with the statement or feel it is incorrect, circle D. If you cannot decide, circle O.

Agree	Cannot Decide	Disagree	
A	O	D	1. It's better to waste time than to waste money.
A	O	D	2. It's better to waste money than to waste time.
A	O	D	3. One shouldn't waste time or money because there's never enough of either to do all you need and want to do.
A	O	D	4. If you borrow a pencil, it's okay not to return it because it won't cost the lender much to replace.
A	O	D	5. No matter what you borrow, you should return it.
A	O	D	6. My parents give me money whenever I ask.
A	O	D	7. My parents give me a regular allowance.
A	O	D	8. I have to earn the money I spend.
A	O	D	9. Money is easy to make and fun to spend so there's no reason to save it.
A	O	D	10. Saving makes it possible to buy bigger things later on without borrowing.
A	O	D	11. Saving is an important way of providing for present emergencies and future enjoyment.
A	O	D	12. Saving makes impossible goals possible.
A	O	D	13. At home, my parents do everything for me.
A	O	D	14. At home, there are certain things I must do for myself and certain things I do for the family.
A	O	D	15. At school, I expect the teacher to teach me.
A	O	D	16. At school, it is my responsibility to listen, to explore, to discover, and to learn.
A	O	D	17. I should do my own work, but when I don't have time, it's okay to use work others have done and to call their answers mine.
A	O	D	18. If I let others do my work, I give away my opportunity to learn.
A	O	D	19. In my community, everything is done for me, and it costs me nothing.
A	O	D	20. Tax money collected from my parents and neighbors pays for many of the community goods and services that seem to be free.
A	O	D	21. Many things are free.
A	O	D	22. Everything costs something; nothing is *really* free.
A	O	D	23. I'm just here and don't know why.
A	O	D	24. No matter where I am, I have a part to play and a job to do.

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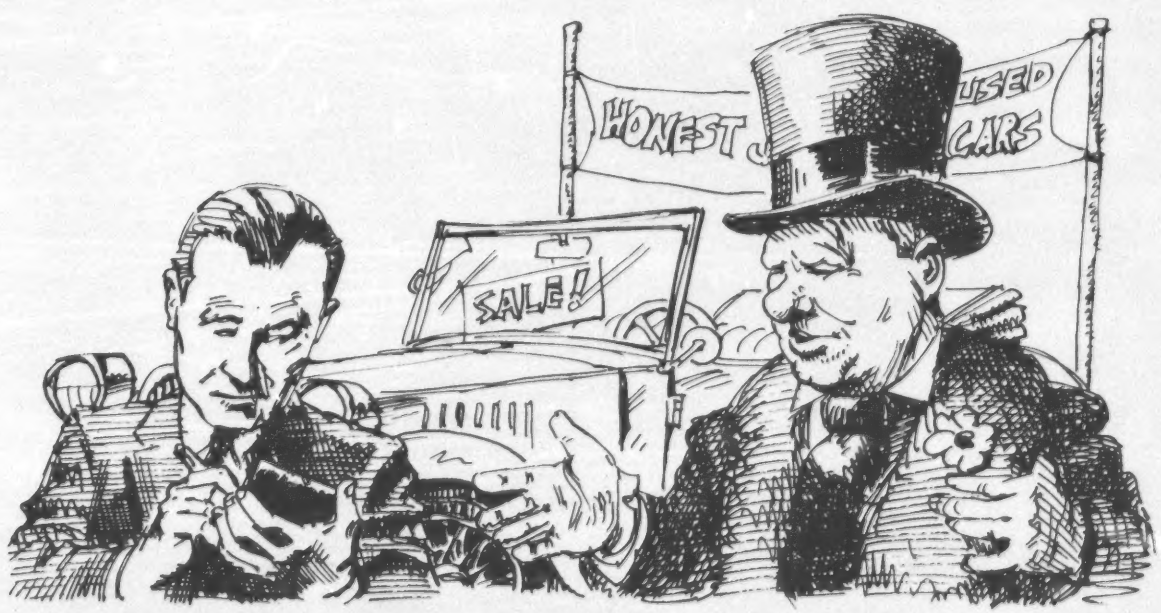
WORDS: Wanted and Unwanted

borrow • character • chicanery • conscientious • counterfeit • cunning • deceit • deceive • deception • dependable • discipline • devious • duplicity • fake • fraud • genuine • guarantee • guile • honesty • honor • integrity • meticulous • obligation • probity • promise • rectitude • reliable • reputation • responsible • scrupulous • sham • steal • subterfuge • theft • trickery • truth • vice • virtue



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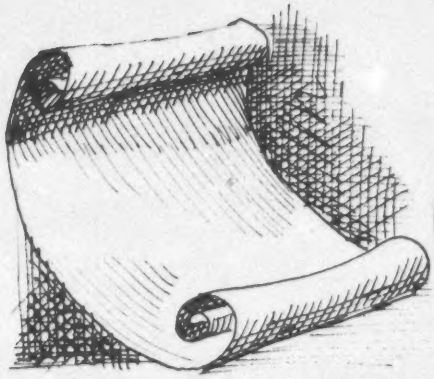
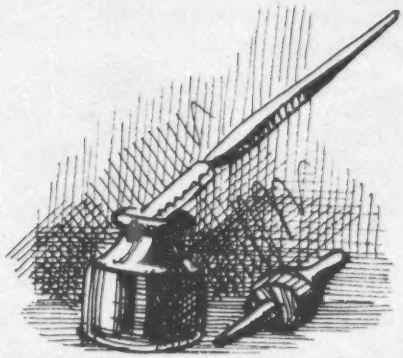


QUOTA QUOTE



Remember that time is money.

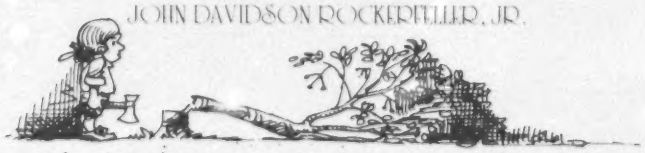
BENJAMIN FRANKLIN

Whatever is worth doing at all,
is worth doing well.

PHILIP DORMER STANHOPE, EARL OF CHESTERFIELD

I believe that
every right implies a responsibility;
every opportunity, an obligation;
every possession, a duty.

JOHN DAVIDSON ROCKEFELLER, JR.



I hold the maxim no less applicable
to public than to private affairs, that
honesty is always the best policy.

GEORGE WASHINGTON

An honest man's word
is as good as his bond.

MIGUEL DE CERVANTES

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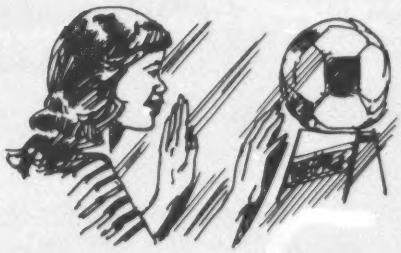
Your Money . . .Your Choice

Name _____

Date _____



Directions: In the space below, draw or paste a picture of something you would like to buy. Then make a **choice.** Decide what you will do without to save the money you need to buy it or what you will do to earn the money.

How much would it cost? _____

Amount I have now — _____

Amount I need _____

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To get this amount, I will (check one),

- ☐ save from my allowance
- ☐ earn extra money

If you marked **save,** how much will you save each week? _____

At that rate, how many weeks will it take you to reach your goal? _____

What things that you normally buy could you do without to save this amount? List the item(s) and the price(s).

Item	Price

If you marked **earn,** what jobs will you do and what will you be paid for each?

Jobs	Pay

If you earn money in these ways, how long will it take you to reach your goal? _____

Could you reach your goal faster by saving and earning? _____

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Counting It

Name _____

Date _____

Food (groceries and treats)	_____
Clothing	_____
Shelter (rent or mortgage payment)	_____
Utilities	_____
Gas	_____
Electricity	_____
Telephone	_____
Water	_____
Garbage collection	_____
Gasoline	_____
Automobile upkeep and repair	_____
_____	_____
_____	_____
_____	_____
Payments on loans (other than for housing)	_____
Savings	_____
For short-term contingencies	_____
For long-range goals	_____
Total	_____
Income	_____
Total from above	– _____
Amount remaining for entertainment and extras	_____

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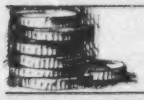

Making It Count

Name _____

Date _____

Directions: To make money count, you need to plan ahead about how you will use it. Use the form below to budget your income, your allowance, or some imaginary amount.

Time period _____

Expected income _____

Source(s) _____

Proposed savings

For short-term contingencies _____

For long-range goals _____

Total — _____

Total available to buy things _____

Item	Amount Budgeted	Amount Spent
Totals		

Did you spend more or less than you planned? _____

Why? _____

_____

Should you adjust your planning or your spending? _____

How? _____

_____

_____

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Step 3.
HOW?
Organization and Record-Keeping

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Notes to the Teacher

Purpose

To introduce kids to the terms, procedures, and forms associated with opening a checking account and to give them practice in the math, handwriting, and record-keeping skills associated with writing checks, filling out check stubs, and balancing an account.

Objectives

After completing this lesson, the student should be able to

- recognize and identify the parts of a check;
- fill out a deposit slip, check, and check stub; and
- use the following terms correctly in class discussion: account, balance, deposit, endorse, number amount, payee, payer, statement, signature, written amount.

Materials

Test to be given before and after the lesson to help you decide what parts of the lesson to teach and to assess the learning that has taken place. Make a thermofax master or use a photocopy machine to reproduce two copies for each member of your class.

Answer Key

The Parts of a Check

3 written amount
9 number amount
13 paid amount
1 payer
2 payee
4 drawee
5 memo
7 check number
12 account number
8 routing numbers
11 computer routing numbers
6 date
10 signature

Matching

1. d	7. f
2. k	8. c
3. g	9. e
4. i	10. l
5. h	11. a
6. j	12. b

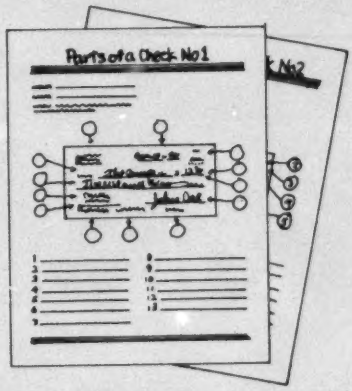
Did You Know That . . . . A reproducible sheet or miniposter. Post the sheet on a bulletin board and/or make a thermofax master or use a photocopy machine to reproduce enough copies for each member of your class. Use the facts to get your kids interested in the subject and then search out some facts of your own. Don't be surprised if you or the members of your class discover some contradictions. Even reputable sources rarely agree on all the facts and firsts about checking and checks.

Checking Your Word Choice. A reproducible glossary of checking and banking terms. Post the sheet on a bulletin board in a "banking center" within your classroom and/or make a thermofax master or use a photocopy machine to reproduce enough copies for each member of your class. Use the words as bonus spelling words, for creative writing, and to help members of your class become better acquainted with bank processes and with banking as a career.

Words to Bank On. A reproducible activity sheet. Fourteen words related to banking are hidden among the ninety-nine letters on this page. Once you have introduced students to the words on the Checking Your Word Choice sheet, give them this sheet and challenge them to see how many of the hidden words they can find. Remind them that the words for which they are looking may be written from left to right, from right to left, straight up, straight down, or diagonally. If all else fails, see the Answer Key on page 47.

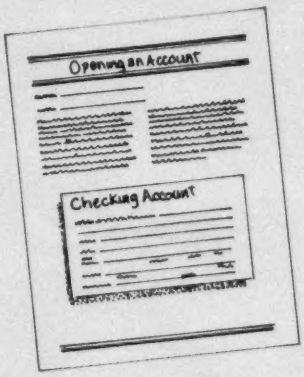
Bankword Puzzle. A reproducible activity sheet. Fifteen "bankwords" are needed to work this crossword puzzle. Make a thermofax master or use a photocopy machine to reproduce enough copies for each member of your class. Use the puzzle to help students become better acquainted with banking terms and their meanings. And if, after working, you are still puzzled, see the Answer Key on page 47.

Parts of a Check No. 1. A reproducible activity sheet on which are listed the parts of a personal check. The information on this sheet corresponds to that on the large check poster supplied with this BANK-ED packet. Review and discuss the parts of a personal check with your students before handing out this activity sheet. Make certain they can distinguish between the payer and payee, know where to write the date and the number and written amounts, and know where and how to sign their names. Then pass out these sheets. Tell the students to read



and review the names and descriptions of the parts of a personal check and then to label the parts of the check pictured on the sheet by writing the number of the part listed below in the circle beside the part on the check itself. For example, *the larger number in the upper righthand corner of the check is the check number. This term is number 6 in the list below. Put a 6 in the circle beside this number.* You may want to go over the answers with students to clear up any confusion. If they understand the material and seem able to assume the responsibility, make copies of the Answer Key available to them and encourage them to work independently.

Parts of a Check No. 2. A reproducible activity sheet which differs from *Parts of a Check No. 1* in that students must remember the names of the thirteen parts of a personal check and write each beside the correct number. Once again, an Answer Key is available on page 47 for their use or yours.

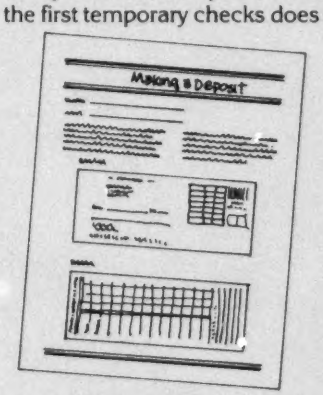


Opening an Account. A reproducible activity sheet that includes a signature card. Remind students that a signature card is the card a potential account holder signs when making a deposit to open an account. On it the potential account holder lists the name or names in which the account is being opened, tells where he or she is employed, gives the bank an address to which statements can be mailed, and then dates and signs the card. In some instances, the bank may also ask the depositor to supply some additional identifying information, such as a driver's license number, social security number, or mother's maiden name.

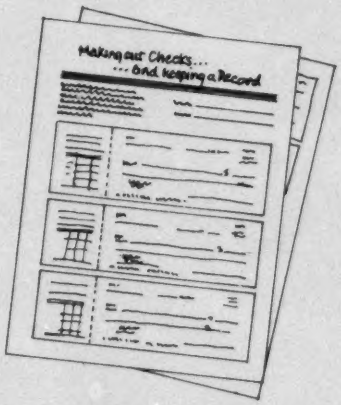
Ask some members of the class to tell you their mother's maiden names and then talk about how a bank could use this sort of information to confirm an account holder's identity. Under what circumstances might such confirmation be useful? Absolutely necessary?

Emphasize to the students that it is important for the signature on each check the account holder writes to match the signature on the card. For this reason, a person making application for an account should decide what form of his or her name to use (for example, first name, middle initial, and last name, or first initial, middle name, and last name) and in what style to write it, and then be as consistent as possible. If he or she wishes to change the form or style of the signature, he or she should request and fill out a new signature card. As a protection to the depositor, the bank may refuse to honor checks on which the signature is quite different from that on the card.

For students to fill out the card, you'll need to supply some fictitious information (for example, name of employer and social security number), or let them use their imaginations. Remind them *not* to fill in the account number; the bank employee who opens the account, accepts the initial deposit, and issues the first temporary checks does that.



Making A Deposit. A reproducible activity sheet that includes both sides of a deposit slip, or deposit ticket. Point out to students that a deposit slip is the small form a depositor fills out when putting money into a checking or savings account. It must include the depositor's name, the account number, the date and total amount of the deposit, a breakdown of the form(s) in which the deposit is being made (currency, coin, and/or check), and a list of all checks deposited, identified by routing number.



Making out Checks . . . and Keeping a Record. A reproducible activity sheet that includes three checks and corresponding check stubs. You may want to name a beginning balance and list some possible merchants and purchases (with prices) on the board or on a separate sheet of paper. Because none of the monetary amounts has been specified, you can adapt the content of the activity to the interests and income levels of your students. You can use the same sheet over and over while varying the numbers to make the math more challenging and/or to make the choices more difficult.

Suggested Activities

- Arrange to take your class on a field trip to a bank. Before you go, ask each member of the class to write down the five things he or she would most like to see and the three questions he or she would most like to ask. Make a list of the ten things and five questions mentioned most often. Give this list, by phone or in person, to the bank employee who will be acting as your host or guide.
- Have the bank come to you. Ask each of your students to list the five questions he or she would most like to ask about banks and banking. Make a composite list of the ten to fifteen questions mentioned most often. Contact the sponsor bank to make arrangements for one of its employees to visit your classroom. Let your visitor know ahead of time what questions the students would like to have answered.

• Discuss with the students in your class why many people have checking accounts. You might begin by asking if anyone's money has recently been lost or stolen. Was it ever found or recovered? Was there a way to identify it? What could have been done if the lost sum had been in the form of a check instead of cash? The advantages of having a checking account include the following:

✓ Your money is in a safe place.
✓ Record-keeping is easy and automatic; you know how much you spent, when, and for what.
✓ Checks can safely be sent through the mail so that you do not have to spend time and gasoline driving from one place to another to pay bills in person.
✓ Your canceled check serves as a receipt and proof of payment.
✓ Only the person you specify as the payee on the check can cash the check.
✓ If a check is lost or stolen, you can stop payment on it, and the money never leaves your checking account. The check becomes a worthless piece of paper.

Can you or the members of your class think of other advantages?

• Once students become acquainted with checking and banking terms, suggest they create word searches, crossword puzzles, cryptograms, or crostics to challenge other members of the class. Make thermofax masters or use a photocopy machine to reproduce the number of copies you need. Make them available individually as optional activities or bind them into a bankword activity booklet.

• Using the poster and/or the activity sheet called Parts of a Check 1, talk about the steps to follow in making out a check:

1. Write today's date. If you postdate the check, the merchant may refuse to accept it or the bank may refuse to cash it or may cash it but charge you a fee.
2. Fill in the name of the payee. If you leave this line blank or write the word "Cash," anyone can cash the check. Also, when writing the name of the payee, start as far to the left as possible and fill all of the available space, by drawing a line if necessary, so that the name you have indicated cannot be easily added to or altered.
3. Write the amount of the check in numbers and then write the amount of the check in words. If the two do not agree, the bank will pay the amount written in words. When writing these amounts, make the numbers clear and distinct. Use a fraction expressed in hundredths (for example, 35/100, 50/100, or 80/100) instead of a decimal. A decimal point can be too easily changed to a comma. *What might happen if, in the dollar amount $12.34, the decimal point was changed to a comma and a zero was added at the end?* Also, when writing these amounts, start as far to the left as possible so that the amount you indicate cannot be easily altered by the addition of a word or digit, and fill the available space, again to prevent unauthorized additions.
4. Sign the check in the same way you signed your signature card when you opened your account.
5. Make a note on the memo line to help you remember what the check was written for.
6. Write the check number, date, payee, and the amount of the check on the corresponding stub.
7. Figure your current balance by subtracting the amount of this check from your previous balance. Record the new balance at the top of the next stub.

• Bring copies or ask students to bring copies of actual bills for telephone service, natural gas, electricity, water, and gasoline. (**Note:** Obscure or obliterate the name to protect the recipient's privacy.) Let students use these bills for practice in making out checks. If the opportunity presents itself, talk about the scarcity of oil and about the high cost of products made directly or indirectly from it. In what ways can you save money by saving oil?

• Write some topics on the board and let members of your class choose which ones they would like to pursue as part of an independent study project. Topics might include:

bank, banks
  history of
  robberies of
  security precautions taken by
  services provided by
  banking, career openings in
checks
  history of
  other kinds of (e.g., payroll, traveler's)
Federal Reserve System

• Fill out a copy of the Making out Checks activity sheet but incorporate some errors. For example, print the signature, make the number and written amounts disagree, leave the name of the payee blank, or use examples of errors members of your class have made. Then run off copies of this new activity sheet and see how quickly your students can spot the mistakes.

• If possible, bring or ask students to bring a bank statement to class. Make enough copies of the statement for each of the students to have one. Have them mark the items on the statement with a marking pen as you point them out. For example, you might mention the statement date, account number, name and address of the account holder, list of checks paid by number and date, list of deposits made by date, beginning balance, total amount of checks, total number of checks, total amount of deposits, total number of deposits, service charge, and ending balance. Ask the class to suggest several reasons the current balance on a check stub might not agree with the ending balance shown on the bank statement.

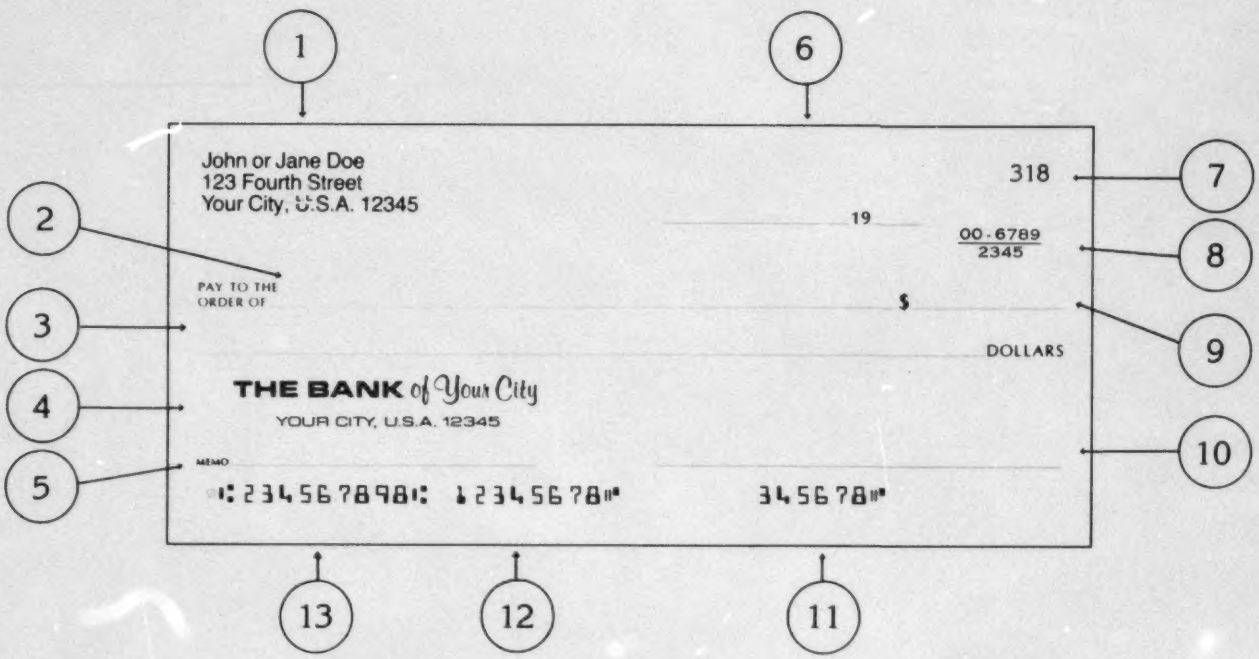
Test for Step 3

Name _____

Date _____

The Parts of a Check

Directions: Identify the parts of a check by writing the correct number on the line in front of the word or words.



_____ written amount

_____ number amount

_____ paid amount

_____ payer

_____ payee

_____ drawee

_____ memo

_____ check number

_____ account number

_____ routing numbers

_____ computer routing numbers

_____ date

_____ signature

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Matching

Directions: Write the letter of the definition on the line in front of the word it defines.

_____ 1. deposit
_____ 2. forge
_____ 3. payee
_____ 4. teller
_____ 5. postdate
_____ 6. endorse
_____ 7. statement
_____ 8. bounce
_____ 9. passbook
_____ 10. debit
_____ 11. balance
_____ 12. account

a. the amount of money in a checking or savings account
b. a sum of money deposited in a bank
c. to be returned by the bank as no good
d. the act of putting money into a checking or savings account, or the money put into the account
e. a book in which savings account deposits and withdrawals are recorded
f. a written record of all of the activity on a particular account
g. the person or firm to whom a check is made payable
h. to date a check later than the day on which the check is actually written
i. a bank employee who receives and pays out money
j. to sign
k. to sign someone else's name to a check
l. an amount charged against or subtracted from an account

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Did You Know That . . .

The Romans are generally credited with creating the check around 325 B.C.

A Dutch merchant wrote the first check in the colonies in 1664.

In England in the late 1600s, people began to make deposits of cash with goldsmiths and to receive in return "goldsmith notes," pen-and-ink promises to pay the customer or "to his order."

Checking in America actually began in 1681 with an experiment called the Fund of Boston in New England. To meet the shortage of hard cash for trade, businessmen mortgaged their land and wares to the fund and received in return a credit against which checks could be drawn.

The earliest printed checks, believed to date from 1762, were made by Lawrence Childs in England.

Deposit banking in America was not established until after the Revolutionary War.

Seeking funds to finance the Civil War, the U.S. government imposed a two-cent tax on every check, a temporary levy that lasted twenty years.

In 1871, George LaMonte invented safety paper on which erasures and alterations were readily apparent. His invention made elaborate engraving as a means of check protection obsolete and ushered in the era of the plain check.

More checks are used in the United States than in any other country.

Nine out of every ten dollars we owe are paid by check.

There are 52 million checking accounts in the United States.

Every day the Federal Reserve System processes approximately 75 million checks.

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Checking Your Word Choice

account a sum of money deposited in a bank and subject to withdrawal by the depositor.

balance the amount of money in a checking or savings account. Also, to compare and reconcile a personal check register with bank's statement of the same account to determine both the accuracy of bank and personal records and the current balance.

bounce to be returned by the bank as no good. A check "bounces" when the person writing it does not have enough money in his or her account to pay it.

check a written order directing a bank to pay money.

checkbook a book of blank checks.

check register a written record kept by the payer of all deposits made, fees charged, and checks drawn against an account. When kept up to date, it indicates the current balance in the account.

debit a charge against a bank deposit account. When the bank subtracts the amount of a withdrawal or a check written against an account from that account, the amount subtracted is called a debit.

deposit to put money into a checking or savings account, or the sum of money put into the account.

deposit slip a small form the depositor fills out when putting money into a checking or savings account. It must include the depositor's name and account number, the date, and total amount of the deposit, a breakdown of the form(s) in which the deposit is being made (currency, coin, and/or check), and a list of all checks deposited, identified by routing number. Also called a **deposit ticket.**

depositor one who makes a bank deposit or has money on deposit in a checking or savings account at a bank.

drawee the bank that handles the payer's checking account and on which the check will be "drawn," or paid.

endorse to sign.

forge to make or imitate falsely, to falsify, with intent to defraud or steal. To forge a check means to sign someone else's name to that check, without his or her knowledge or permission, in an effort to spend or gain control of money in his or her account.

full-service a term applied to banks to indicate that they will perform all of the services the law allows.

minimum balance the least amount of money a depositor can keep in his or her checking account without having to pay a service charge or other special fee.

passbook the depositor's book in which a bank employee records each savings account deposit and withdrawal. Also called a **bankbook.**

payee the person or firm to whom a check is made payable.

payer the person or firm who has the account at the bank and who writes the check.

postdate to date a check with a date later than the day on which the check is actually written. Some payers occasionally follow this questionable practice to delay payment of money from their account. Many commercial firms will not accept postdated checks.

quarter one-quarter or one-fourth of a year; three months.

restrictive endorsement a notation above the signature on the back of a check that defines or restricts who can cash it, for example, "for deposit only" or "pay to the order of Mary Smith."

signature card a card signed by a depositor.

statement a written record of all of the activity on a particular account within a specified period of time (usually a month or a quarter). It includes the checks drawn against the account, the fees charged, and deposits made to it.

teller a bank employee who receives and pays out money, who accepts deposits and dispenses withdrawals.

withdraw to take money that has been deposited out of an account

withdrawal the sum of money taken back, removed, or withdrawn from an account.

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WORDS TO BANK ON

Name _____

Date _____

How many words about banking can you find hidden among the letters below? When you find a word, draw a ring around it.

Z E T A C C O U N T R
K P N D E P O S I T E
O A N D L R E Y A P G
O Y A S O E G R O F I
B E Q U A R T E R D S
S E B A N K S E R V T
S S T L A C H E C K E
A O B A L A N C E B R
P E R U T A N G I S Z

Check off the words as you find them.

_____ account	_____ endorse	_____ payer
_____ balance	_____ forge	_____ quarter
_____ bank	_____ loan	_____ register
_____ check	_____ passbook	_____ signature
_____ deposit	_____ payee	

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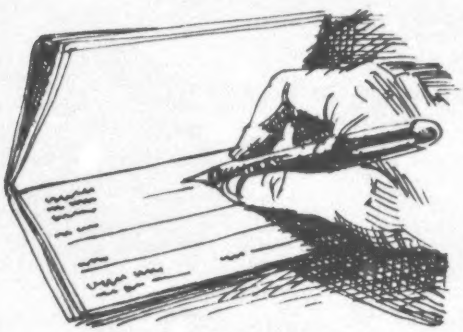
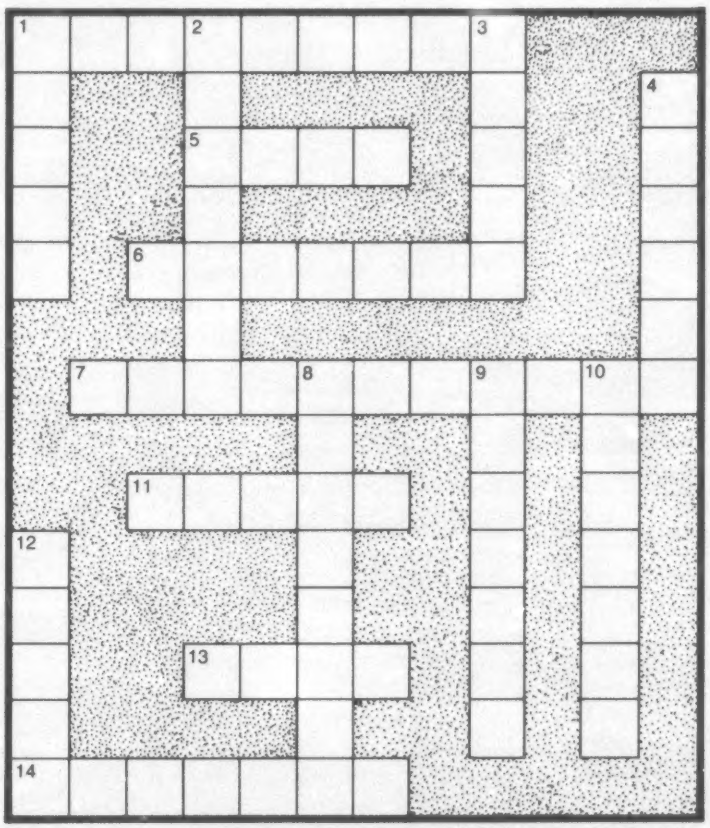
BANKWORD PUZZLE

Name _____

Date _____



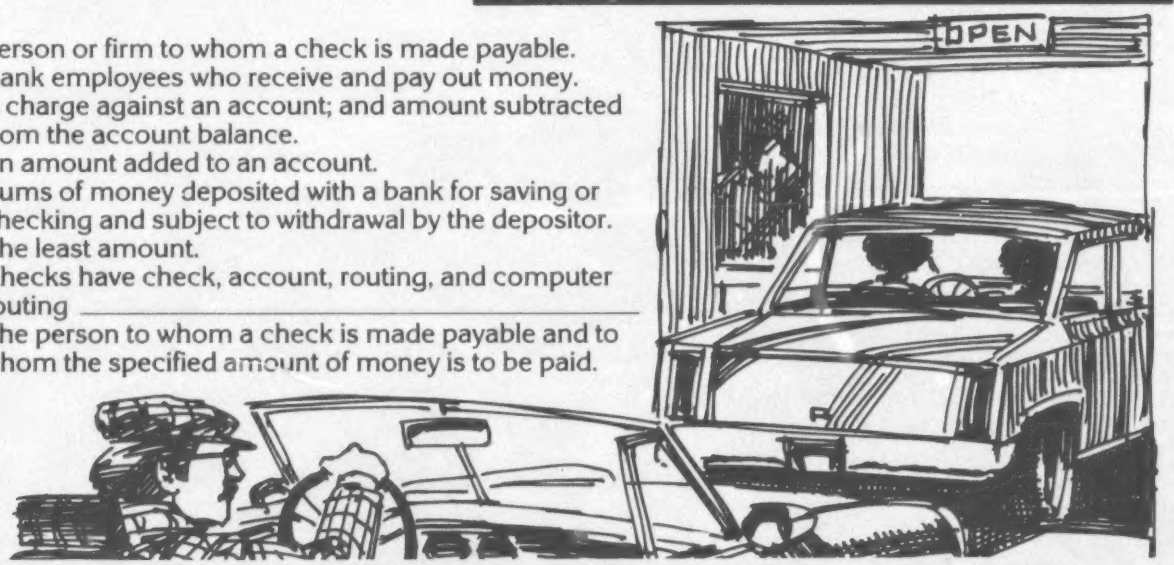


Across

1. A check with a future date is said to be _____
5. Borrowed sum of money.
6. To put money in the bank.
7. One of the parts into which a loan is divided for repayment; the monthly payment made on a loan.
11. A written order directing the bank to pay money from an account to a person or firm.
13. An establishment that accepts checking and savings deposits and makes loans.
14. To sign.

Down

1. Person or firm to whom a check is made payable.
2. Bank employees who receive and pay out money.
3. A charge against an account; and amount subtracted from the account balance.
4. An amount added to an account.
8. Sums of money deposited with a bank for saving or checking and subject to withdrawal by the depositor.
9. The least amount.
10. Checks have check, account, routing, and computer routing _____
12. The person to whom a check is made payable and to whom the specified amount of money is to be paid.



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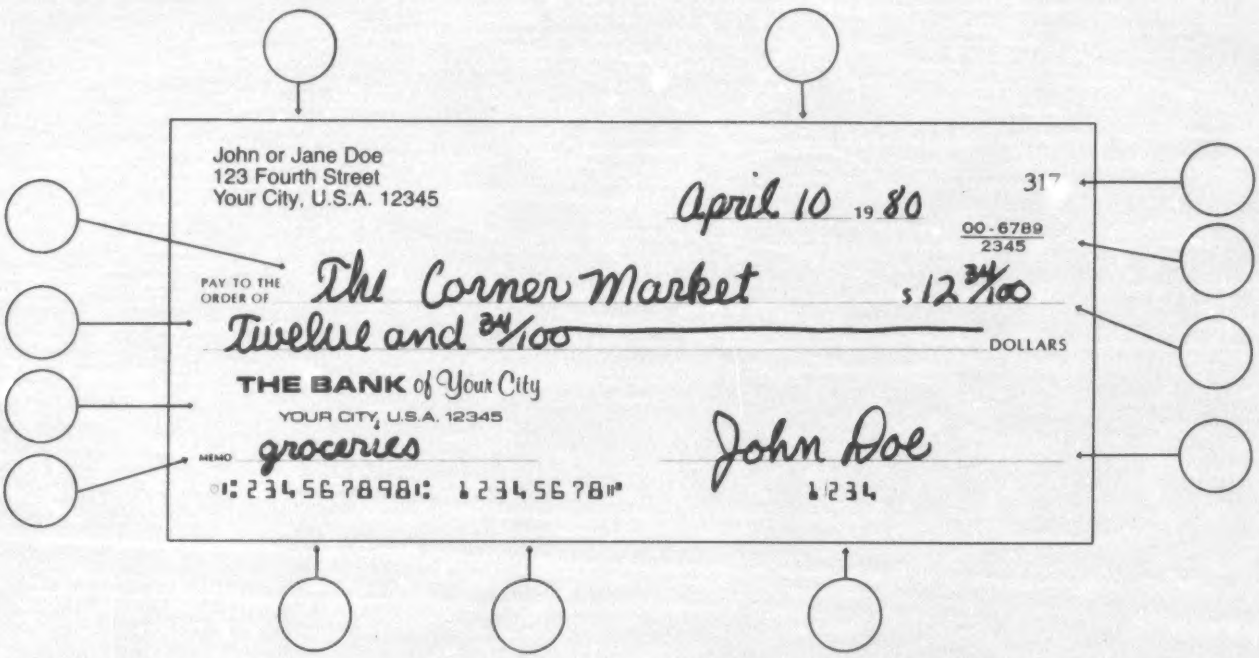
Parts of a Check No. 1

Name _____

Date _____

Directions: Read the names and descriptions of the parts of a check below and then label the parts of this check by writing the correct numbers in the circles above.



1 payer the name and address of the person who has the checking account on which the check is being drawn.

2 payee person or firm to whom the check is made payable.

3 number amount the amount of the check written in numbers.

4 written amount the amount of the check written in words rather than in numbers. If the number amount does not agree with the written amount, it is the written amount that the bank pays.

5 paid amount the exact amount of money drawn from the payer's account. This number appears only on checks the bank has paid.

6 check number the identification number for this particular check. All checks issued to any one payer by a bank are numbered consecutively in the upper right-hand corner.

7 routing numbers the check's zip code. The top two numbers identify the state and the bank on which the check is drawn. The bottom number identifies the Regional Federal Reserve Bank that will handle the check.

8 account number the number that identifies the payer's account.

9 computer routing numbers the check's zip code written in magnetic ink in numbers a computer can read.

10 signature the payer's name written in script (*not* printed) as nearly like the signature on file at the bank as possible.

11 drawee the name of the bank and branch that handles the payer's checking account and on which the check will be "drawn," or paid.

12 memo the payer's record of what the check was written for.

13 date the month, day, and year in which the check was written.

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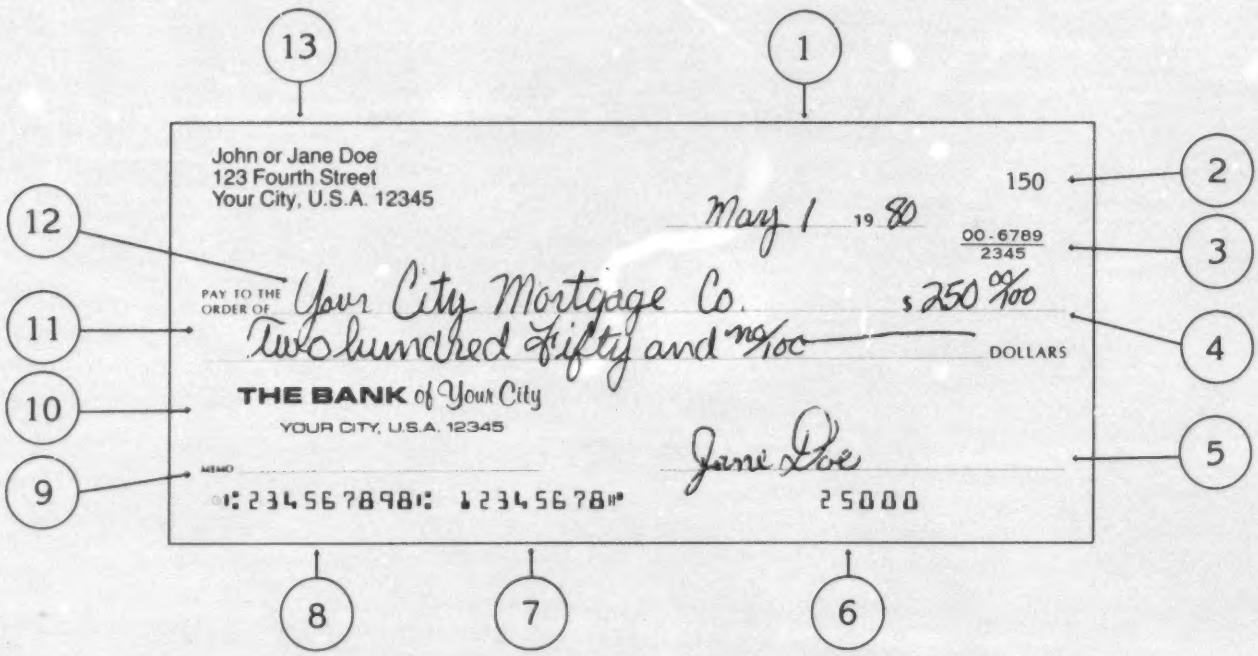
Parts of a Check No. 2

Name _____

Date _____

Directions: Label the thirteen parts of this check on the numbered lines.



1 _____

2 _____

3 _____

4 _____

5 _____

6 _____

7 _____

8 _____

9 _____

10 _____

11 _____

12 _____

13 _____

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Opening an Account

Name _____

Date _____

Description: A signature card is the card a potential account holder signs when opening an account. The potential account holder lists the name or names in which the account is being opened, tells where he or she is employed, gives the bank an address to which statements can be mailed, and then dates and signs the card. In some instances, the bank may also ask the person opening the account to list his or her mother's maiden name or some other piece of personal information that could be used later by the bank to confirm the deposit holder's identity.

It is important that the signature on each check the deposit holder writes match the signature on the card. For this reason, a person making application for an account should decide what form of his or her name to use (for example, first name, middle initial, and last name, or first initial, middle name, and last name) and in what style to write it, and then be as consistent as possible.

Directions: Using your imagination or information supplied by your teacher, fill out and sign the signature card below. Do not fill in the account number as the bank will do that.

Checking Account

Acct. No. _____
For Bank Use Only

Account is to be set up on the followng name(s) _____

_____

Sign _____

Sign _____

Mail Address _____
STREET AND NO CITY STATE ZIP

Employed by _____
FIRM NAME POSITION

Social Security No. _____ Date _____

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Making a Deposit

Name _____

Date _____

Description: A deposit slip, or deposit ticket, is a small form the depositor fills out when putting money into a checking or savings account. It must include the depositor's name, and account number, the date and total amount of the deposit, a breakdown of the form(s) in which the deposit is being made (currency, coin, and/or check), and a detailed listing by routing numbers of all checks deposited.

Directions: Using the information provided by your teacher, fill out both sides of the deposit ticket below.

FRONT:

DEPOSIT TICKET

JOHN or JANE DOE
123 Fourth Street
Your City, USA 12345

DATE _____ 19 ____

This deposit is accepted subject to verification and to our rules and regulations

	DOLLARS	CENTS
CURRENCY		
COIN		
CHECKS		
TOTAL FROM OTHER SIDE		
TOTAL		
LESS CASH RECEIVED		
TOTAL		

LIST ITEMS SINGLY

00-6789
2345

IF MORE THAN 2 ITEMS LIST ON REVERSE SIDE

TOTAL ITEMS

THE BANK of Your City
YOUR CITY, U.S.A. 12345

⑆234567898⑆ 1234567811

BACK:

Please List Each Check Separately by Bank Number

	DOLLARS	CENTS
CURRENCY		
COIN		
Checks by Bank No. 1		
2		
3		
4		
5		
6		
7		
8		
9		
10		
11		
12		
13		
TOTAL Enter on front side.		

CURRENCY COUNT — FOR BANK'S USE ONLY

x 1's	
x 2's	
x 5's	
x 10's	
x 20's	
x 50's	
x 100's	
TOTAL $	

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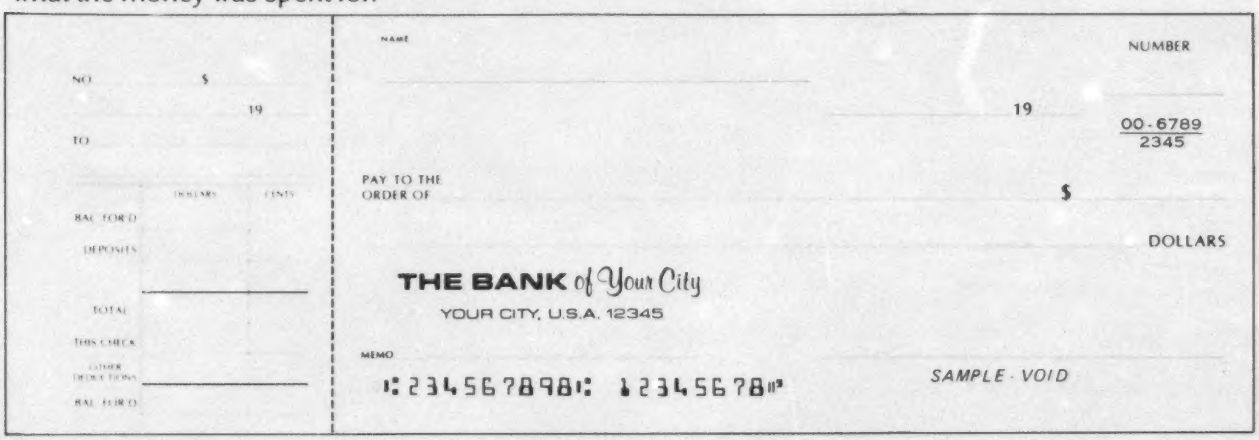
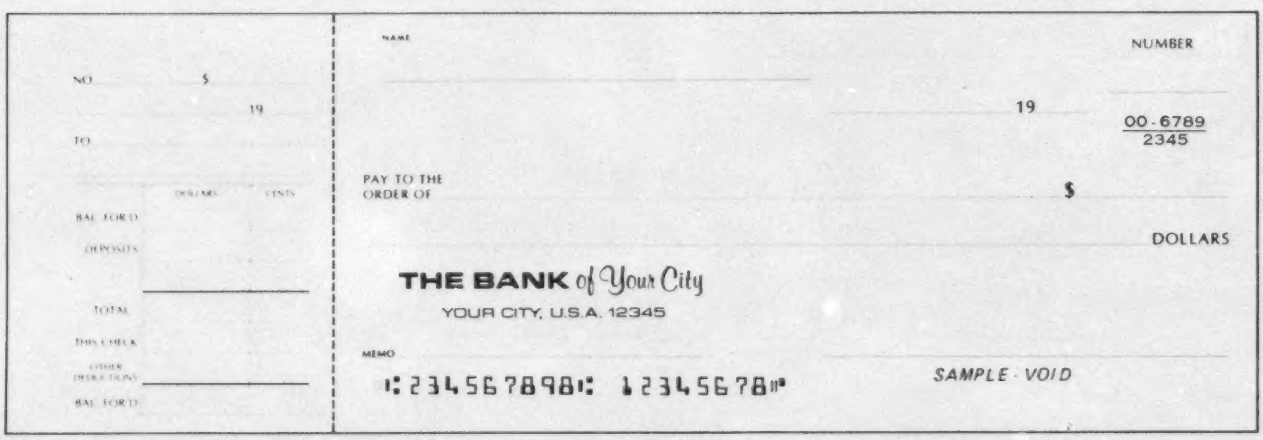
Making out Checks . . .
. . . and Keeping a Record

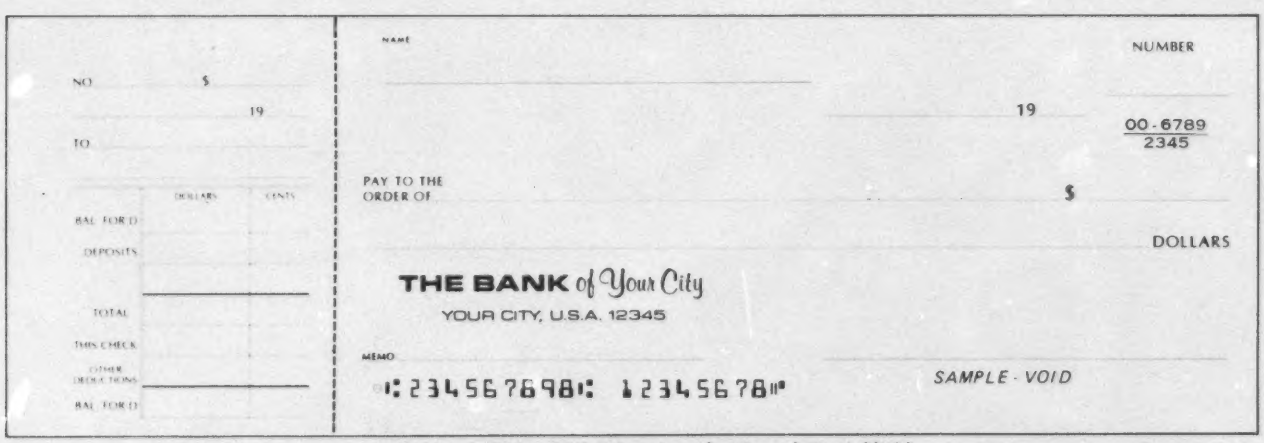
Directions: Using the situation your teacher describes or writes on the board, date, make out, and sign the checks below. Complete each stub as your record of how much money has been spent from your account and what your current balance is. Don't forget to note on the memo line what the money was spent for.

Name _____

Date _____







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NO. $

19

TO

	DOLLARS	CENTS
BAL. FOR'D		
DEPOSITS		
TOTAL		
THIS CHECK		
OTHER DEDUCTIONS		
BAL. FOR'D		

NAME

NUMBER

19

00-6789
2345

PAY TO THE ORDER OF $

DOLLARS

THE BANK of Your City
YOUR CITY, U.S.A. 12345

MEMO

⑆ 234567898⑆ 1234567811

SAMPLE - VOID

NO. $

19

TO

	DOLLARS	CENTS
BAL. FOR'D		
DEPOSITS		
TOTAL		
THIS CHECK		
OTHER DEDUCTIONS		
BAL. FOR'D		

NAME

NUMBER

19

00-6789
2345

PAY TO THE ORDER OF $

DOLLARS

THE BANK of Your City
YOUR CITY, U.S.A. 12345

MEMO

⑆ 234567898⑆ 1234567811

SAMPLE - VOID

NO. $

19

TO

	DOLLARS	CENTS
BAL. FOR'D		
DEPOSITS		
TOTAL		
THIS CHECK		
OTHER DEDUCTIONS		
BAL. FOR'D		

NAME

NUMBER

19

00-6789
2345

PAY TO THE ORDER OF $

DOLLARS

THE BANK of Your City
YOUR CITY, U.S.A. 12345

MEMO

⑆ 234567898⑆ 1234567811

SAMPLE - VOID

NO. $

19

TO

	DOLLARS	CENTS
BAL. FOR'D		
DEPOSITS		
TOTAL		
THIS CHECK		
OTHER DEDUCTIONS		
BAL. FOR'D		

NAME

NUMBER

19

00-6789
2345

PAY TO THE ORDER OF $

DOLLARS

THE BANK of Your City
YOUR CITY, U.S.A. 12345

MEMO

⑆ 234567898⑆ 1234567811

SAMPLE - VOID

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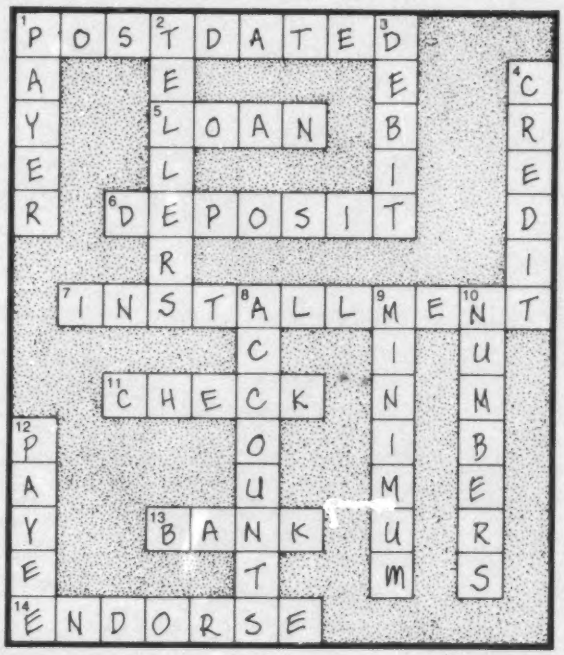
Answer Key

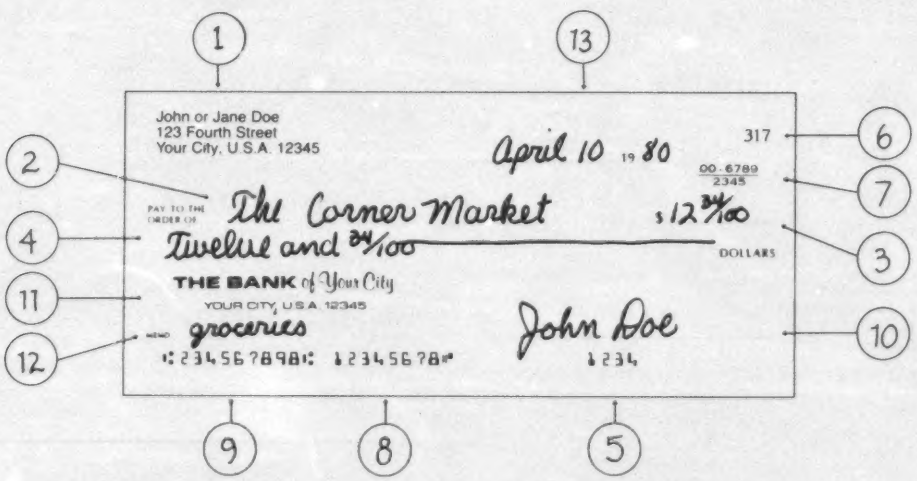
Words to Bank On Page 39

Z	E	T	A	C	C	O	U	N	T	R
K	P	N	D	E	P	O	S	I	T	E
O	A	N	D	L	R	E	Y	A	P	G
O	Y	A	S	O	E	G	R	O	F	I
B	E	Q	U	A	R	T	E	R	D	S
S	E	B	A	N	K	S	E	R	V	T
S	S	T	L	A	C	H	E	C	K	E
A	O	B	A	L	A	N	C	E	B	R
P	E	R	U	T	A	N	G	I	S	Z

Bankword Puzzle Page 40



Parts of a Check No. 1. Page 41



Parts of a Check No. 2 Page 42

1 date
2 check number
3 routing numbers
4 number amount
5 signature
6 paid amount
7 account number
8 computer routing numbers
9 memo
10 drawee
11 written amount
12 payee
13 payer

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About the Author

Sherri Miller Butterfield is a professional writer, editor, and developer of educational materials. She attended Mount Holyoke College for two years, received her B.A. from the University of Oklahoma, and was the recipient of a University of Oklahoma Press Fellowship. During an eighteen-year career, she has edited more than ninety book-length manuscripts in forty different fields for fifteen separate trade and text publishers on both coasts. A former instructional aide, she has had both classroom and media center experience and has worked closely with children of varying age, grade, and ability levels. Under special contract, she was project editor for many of Goodyear Publishing Company's education books, including the four-volume Big Book Series, *Until the Whistle Blows*, and *Reading for Survival in Today's Society*. She is the author of *Telecourse Study Guide for Understanding Human Behavior* (Holt, Rinehart and Winston, 1980) and of *The Wonderful World of Soccer* (Goodyear, 1978; Grosset & Dunlap, 1979) and is a coauthor of *Developing IEPs for the Gifted/Talented* (Ventura County Superintendent of Schools, 1979). Sherri lives with her husband, two daughters, and one shih-tzu in Mission Viejo, California, and currently serves as publications editor for the National/State Leadership Training Institute on the Gifted and the Talented.